The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, JULY 24, 1930

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1880 GOLDEN JUBILEE 1930

OF THE WORLD'S PIONEER IN LIABILITY INSURANCE

50 Years Ago

THERE was not much attention paid to liability insurance. We have carefully searched the files of several insurance journals and even there find little or no mention of the form of insurance originated, fifty years ago, by The Employers' Liability Assurance Corporation, Ltd.

* * *

Today

THE Employers' Liability Assurance Corporation, Ltd., and its affiliated companies, are in the process of finishing what they started. It is an endless task, for there will always be a need for this form of insurance, just as there will always be accidents to workmen, to the public, and to others in the industrial plant or on the premises of the home owner, storekeeper, or the owner of the office building.

Our fifty years experience has taught us this. There is a need for liability insurance. There is a comparatively small amount of this form of insurance sold to home owners and many others whose need for it is great.

Whether or not you are associated with the world's pioneer in liability insurance, or with its affiliated companies, The Employers' Fire Insurance Company and the American Employers' Insurance Company, it is your duty as an insurance man to spread the gospel of this form of insurance. If the American Agency system is to endure, it behooves every insurance man to make sure that *his* clients at least are adequately protected.

If you are not a member of The Employers' Group family, you can nevertheless fittingly celebrate the Golden Jubilee of the World's Pioneer in Liability Insurance, by selling more of this form of insurance.

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CASUALTY & FIRE INSURANCE

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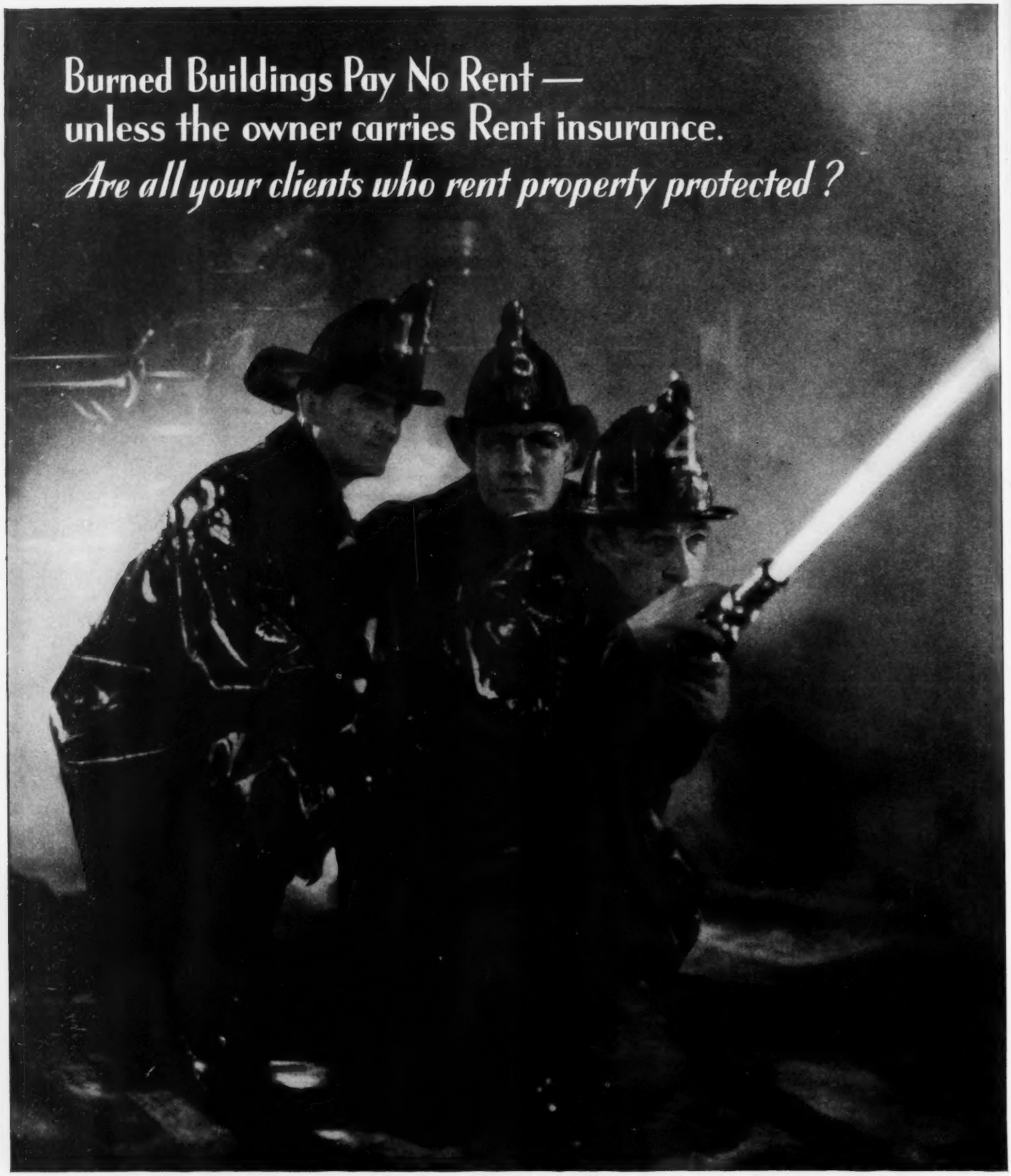

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The National Underwriter

Thirty-Fourth Year No. 30 CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, JULY 24, 1930 $4.00 Per Year, 20 Cents a Copy

Sets Boundary for Oil Wells

Oklahoma City Council Prohibits Drilling Northward in City

OIL COMPANY PROTESTS

Seeks Injunction Against Municipal Interference With Exploitation of Tract Opposite Capitol

Managers and home office executives have been sleeping more peacefully since the Oklahoma city council voted to permit no further oil development north of the so-called U-7 zone there. The U-7 zone is a strip south and east of the business and residential district of Oklahoma City which had been set aside for drilling operations. Oil operators, however, have been greedy to drill north of this area.

Most of the executives, special agents and engineers who have visited Oklahoma City report that although it must not be discounted, the conflagration hazard is not immediately alarming if drilling operations are not carried north of the U-7 zone.

Soon after the city council passed the order restricting drilling to the territory already set aside for that purpose, the Cromwell-Franklin Oil Company filed a suit in the United States district court to enjoin Oklahoma City from interfering with the drilling of an oil well on the Harn tract immediately opposite the capitol. This tract is in the section of town north of the U-7 zone. It is 2,100 by 1,500 feet and is surrounded on three sides by some of the best and most expensive residence property in Oklahoma City. Refusal of the city to allow drilling amounts to "an unreasonable exercise of police power," according to the oil company's suit. Hearing has been set for Aug. 2 before Federal Judge Vaught. From this litigation will probably come final determination of the city's power.

Old Evil Would Exist

Of course if this injunction is granted, insurance companies will be faced with the same problem which confronted them before the council passed its restricting ordinance.

Although the Oklahoma insurance board has set Aug. 15 as the date for a hearing on the application for a $1 flat rate increase in Oklahoma City, which was filed by C. T. Ingalls, manager Oklahoma Inspection Bureau, if the city continues to take the constructive position, indicated by its prohibition of northward drilling, in all likelihood this date will be deferred. Most companies admit frankly that the application for rate increase was made largely for its psychological effect. That is not to say that the rate would not be insisted upon, but if it induced a changed viewpoint on part of the citizens and city, it would have served its purpose.

Executives point out that the $1 increase would be no compensation to companies should a general conflagration occur. It is not applied for as a premium grabbing move. City Attorney McKenzie has filed a protest to the proposed increase, claiming that regulations imposed upon drillers by the city have removed whatever hazard existed.

Those executives who visited Oklahoma City during the week came home with a diversity of opinion. Some, who were prepared to minimize the hazard were greatly alarmed while others who were prepared to find the streets running with oil and buildings drenched with it returned with great relief. Even among those who were disquieted by what they saw, there was no unanimity as to the most dangerous factor in the situation there.

Rock Pressure Alarming

Some think that the tremendous rock pressure there is the great disturbing factor, while others fear the gas backing up in the sewers. There are those who are alarmed at the probability of sand cutting the gate valves, thus causing wells to blow wild. Some fear that gas will collect in pockets and form an explosive mixture. Others are alarmed over the potential moral hazard, believing that the presence of oil drilling

(CONTINUED ON LAST PAGE)

Firemen's Leaves Board Agencies at Cleveland

LOCAL BODY FORCES ISSUE

Because Milwaukee Mechanics Used Non-Member Agents, Cleveland Board Resigns Rest of Fleet

Faced with the problem of junking the agency plant of the Milwaukee Mechanics at Cleveland and operating exclusively through agents who belong to the Cleveland Board of Fire Underwriters or retaining the Milwaukee Mechanics' agency plant there and operating exclusively through agents who do not belong to the board, the Firemen's and its affiliates have elected the latter course.

The Firemen's took this action after the Cleveland board recently called upon the fleet for a decision. According to the regulation of the Cleveland board, agents who belong to the board may not represent members of a fleet, one or more of whose affiliates operate through non-member agents. The Milwaukee Mechanics used non-board agents while other Firemens companies had board representatives.

Reason for Step

According to spokesmen for the Firemen's, the Milwaukee Mechanics has built up a large agency plant in Cleveland among non-board members and it was decided to permit board agents to resign the other Firemen's companies rather than to sacrifice the Milwaukee Mechanics' connections. Although the Milwaukee Mechanics became a member of the Firemen's group in January, 1929, the Cleveland board did not force the issue until recently.

Salvage Company Turnover Below Normal Expectancy

MORAL HAZARD NOT DETECTED

Underinsurance, Posting Policies With Bankers, Low Inventories Make Fires Unprofitable

Although the normal expectancy of the Underwriters Salvage Company is for a 33 percent increase in merchandise after the Christmas season, this year, despite unfavorable business conditions, the work of the salvage company, according to Manager W. P. Forbush, has been abnormally small. Moral hazard which ordinarily develops appreciably during hard times has not been detected by the salvage company.

Mr. Forbush attributes the favorable record—that is, favorable for the insurance companies, for, as Mr. Forbush puts it, "When I scowl my directors smile and when I smile my directors scowl"—largely to the fact that many merchants have reduced their insurance protection. Accordingly, since so many merchants would be self-insurers in case of a fire, the incentive is lacking to exploit the carriers.

Fire Would Be Unprofitable

Another reason for the small turnover of the salvage company, Mr. Forbush says, is the fact that merchants in borrowing from banks, which they have done to an extraordinary degree during the last few months, have staked their insurance policies as collateral. In the event of fire, the amount of insurance money collected would not repay the loans and the merchants would be face to face with their creditors.

Still another deterrent, in the opinion of Mr. Forbush, is the fact that inventories during this period of depression have not been as large as during former unfavorable periods, notably during the 1921 buyers' strike.

Losses Have Been Small

Figures recently put out by the Western Adjustment are an indication of the experience of the Underwriters Salvage Company. Of the 100,000 losses handled by the Western Adjustment last year 50 percent were less than $100, while only 2½ percent were more than $2,500.

Although the volume of merchandise handled by the Underwriters Salvage Company the first months of 1930 was comparatively small, there is a noticeable increase in volume now. This, however, is in no way due to moral hazard. At present the salvage company has in its plant the largest quantity of brushes ever carried. The stock was taken over from the Milwaukee Brush Company, whose plant was destroyed by fire several weeks ago.

Several shipments of furniture from factories in Grand Rapids, Mich., which were damaged during the tornadoes of May 1, are being disposed of by the salvage company.

Mr. Forbush reported that the market for salvage company stocks is "good," except among rural dealers, who are feeling the competition of chain stores. Even in the small towns, Mr. Forbush said the dry goods business is not feeling chain store rivalry.

Shaping Program for Fall Meeting

National Convention of Insurance Commissioners to Have Attractive Events

ADDRESSES SCHEDULED

Trip Through New England States Will Be One of the Big Features

HARTFORD, July 23.—Among the subjects which will come to the fore during the discussions at the National Convention of Insurance Commissioners, to be held in Hartford the week of Sept. 8, will be automobile financial responsibility laws and the taxation of insurance companies.

Although the business program has not been completed, it is known that R. Leighton Foster, superintendent of insurance of Ontario, will make a talk upon financial responsibility laws. Ontario has a new amendment to its highway traffic act which provides for financial responsibility of automobile owners and drivers. The act will go into effect September 1.

Commissioners to Speak

C. D. Livingston, commissioner of Michigan, and M. A. Freedy, commissioner of Wisconsin, are also on the program for talks at the business sessions, while W. A. Tarver, commissioner of Texas, will speak on taxation, with C. S. Younger, superintendent of Ohio, discussing the paper. It is probable that considerable time will be devoted by the insurance commissioners to a discussion of the report on fire acquisition costs.

An unusually large number of insurance company officials and agents are expected at this convention of the insurance commissioners. While more than the usual number of invitations to the convention are being sent out, the general committee in charge of arrangements has announced that all officials of companies and agents who wish to attend are welcome.

Pamunkey Tribe to Hold Forth

During the first night's stop of the commissioners on their tour of New England, which will be Bretton Woods, N. H., there will be presented for the edification of the commissioners and other visitors the annual celebration by the "Pamunkey Indians," which will take place on the banks of the Amonusek river near the base of Mt. Washington. A special bridge, it is understood, will be erected over the river, permitting the members of the tribe to hold their celebration on an island.

While many of the details of this feature of the tour of New England have been kept secret, it is understood that the members of the committee in charge include Charles H. Burras, Chicago, president Joyce & Company; Edward

(CONTINUED ON LAST PAGE)

W. I. B. Commission Scale to Last, Clark Tells Specials

HAS STOOD TEST, HE SAYS

Addresses Regional Meeting of Eleven Bureau Field Clubs at Lake Okoboji

New Officers Elected

NORTHWEST INSURANCE CLUB
(Minnesota, North and South Dakota)
President—A. A. Clothier, Firemen's.
Vice-President—H. N. Stone, Milwaukee Mechanics.
Secretary-Treasurer—E. O. Erickson, Northwestern National.

MISSOURI FIELD CLUB
President—John Battershill, Firemen's.
Vice-President—Paul C. Hartman, Milwaukee Mechanics.
Secretary-Treasurer—Clyde N. Tindall, National Ben Franklin.

KANSAS FIELD CLUB
President—V. E. Herbert, Firemen's.
Vice-President—Harry Brown, Northwestern National.
Secretary-Treasurer—J. Y. Dickerson, Firemen's.

NEBRASKA FIELD CLUB
President—L. P. Carpenter, Firemen's.
Vice-President—A. H. Watson, Milwaukee Mechanics.
Secretary—F. A. Dyke, Dubuque.

The regional meeting of 11 Western Insurance Bureau field clubs at Lake Okoboji, Ia., thoroughly convinced special agents and company representatives of the value of these joint meetings and it was decided to perpetuate them. The virtues of the arrangement are the saving in expense, the opportunity of exchanging ideas, information, and experience among those traveling in different states, the fact that more company executives can be induced to attend one or two large field meetings each year than could be rounded up for individual state meetings.

The states represented at Okoboji were Minnesota, North and South Dakota, Iowa, Nebraska, New Mexico, Colorado, Wyoming, Kansas, Missouri and Oklahoma. The business and entertainment were in charge of Roy Stone, Concordia state agent in Iowa and president Iowa field club.

Says Commissions Will Last

At the collective meeting of all the clubs the second day, Herbert A. Clark, western manager Firemen's, declared that the present bureau commission scale is a permanent institution. Twenty years ago, when the scale was introduced, he declared that competitors predicted that it would collapse, but Mr. Clark reminded his audience that the scale has remained in force with upward revisions.

Mr. Clark added that if companies can pay larger commissions with contingents in excepted cities, they can pay greater commissions elsewhere.

Mr. Clark also read the speech which Fred D. Silber, counsel Western Insurance Bureau, delivered at the regional meeting in Lake Wawasee, Ind., in which Mr. Silber defined the traditions of the Western Insurance Bureau.

J. H. Patterson Gives Talk

J. Harvey Patterson, manager Western Sprinkled Risk Association, reported some of the operations of his organization and told the agents that the contract has been considerably liberalized in order to meet competition of the New England Factory mutuals especially.

Among the visitors were: W. E. McCullough, vice-president Hampton Roads, who as chairman committee on cooperation of field clubs, acted as toastmaster; Charles H. Yunker, president Milwaukee Mechanics; Herbert Bonning, assistant secretary Milwaukee Mechanics; W. E. Wollaeger, president Concordia; Richard Brandenburg, secretary Concordia; Ralph Danforth, secretary Millers National; Gates Dawes, president Eureka Security; Fred C. Schad, secretary Western Insurance Bureau; John Farringer, manager inland marine department, Monarch; William Jowien, executive special agent, Monarch; and Frank Breen, special agent Standard, N. J., and president Illinois Field Club, who told the audience something of the work of the field clubs east of the Mississippi.

Convention Notes

By smashing the wind shield of a parked automobile, Herbert A. Clark, western manager Firemen's, took the prize for driving the most accurate golf ball at the Lake Okoboji meeting.

* * *

F. A. Dyke, Nebraska special agent Dubuque, won the prize for the low gross score in the golf tournament, while Harry Benson, who travels Oklahoma for the Firemen's, was runner up. Victor Herbert, special agent for the National Ben Franklin in Kansas, won the horse shoe pitching contest. Mrs. John Battershill, wife of the Firemen's state agent in Missouri, captured the bridge prize.

* * *

A special car was chartered to take the Chicago and Milwaukee representatives to Lake Okoboji.

* * *

An indoor baseball team composed of representatives of Missouri, Iowa and the Dakotas trimmed the team made up of special agents from Oklahoma, Kansas and Nebraska during the bureau field meeting at Okoboji.

Thirty-Four States Ban Mutual Insurance for Public Property

As the result of a close study of the constitutions of the different states William Macinnes, head of the automobile division of the American Surety, discovcovered that the following named, 34 in all, expressly prohibit the insuring of community property in mutual organizations, namely: Alabama, Arkansas, California, Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Iowa, Kentucky, Louisiana Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oregon, South Carolina, South Dakota, Texas, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

The prohibition in Mississippi is modified, however, to the extent that neither the state nor any municipality therein shall lend its credit unless two-thirds of the qualified voters of such county, city or town at a special or regular election give assent.

The constitution of Missouri contains a provision that the state shall not own or be liable for any stock in any banking corporation. As Mr. Macinnes logically points out: "If the citizens of certain states in their wisdom have placed in the constitution of their respective commonwealths a proviso that the state cannot pledge the credit of its people in connection with mutual insurance a very cogent argument is supplied as to why an individual should not take upon himself the responsibilities assumed when mutual insurance is purchased."

Mowbray's Volume Analyzes All Branches of Insurance

"Insurance, Its Theory and Practice in the United States," is the latest volume in the McGraw-Hill insurance series. The author is Albert H. Mowbray, fellow Actuarial Society of America, past president Casualty Actuarial Society, and professor of insurance University of California.

Mr. Mowbray has undertaken to present the underlying principles and conditions which govern practices in all branches of insurance. The policy forms in each of the major branches are reviewed according to a common scheme of analysis which brings out both their similarities and the cause of their differences.

The plan of the book has been tried out in lectures over a period of three years with success. It is divided into six principal sections: risk, the insurance contract, types of insurance carriers, the problems of the insurance carrier, state supervision of private insurance, and insurance in state policy.

Mr. Mowbray's volume may be obtained through THE NATIONAL UNDERWRITER. The price is $4.

CONDENSED NEWS OF WEEK

Pacific Fire—furniture association deal, which disturbs agents greatly, is denied. **Page 5**

* * *

Towner Bureau boosts price of bank fidelity bonds 50 percent; stock market pressure reported responsible for heavy loss. **Page 31**

* * *

Underwriters Grain Association approves reporting form of cover for those terminal elevator operators that elect to use it. **Page 8**

* * *

Darby Day fleet of Chicago acquires stock of Liberty of Dayton, swelling premiums of group almost to $5,000,000. **Page 31**

* * *

Joint meeting of Western Insurance Bureau field clubs west of the Mississippi river is held at Lake Okoboji, Ia. **Page 4**

* * *

M. Daniel Maggin has been elected vice-president and general manager of the Lloyds Casualty. He has been vice-president and manager of its New York City metropolitan department. **Page 32**

* * *

Much uneasiness is found in aviation underwriting circles on account of the heavy losses. **Page 33**

* * *

Oklahoma city council votes to prohibit march of oil wells northward toward heart of city. Oil company seeks injunction against this municipal interference. **Page 3**

Continental Casualty announces new accident and health series assuming life indemnity; unique features. **Page 39**

* * *

Cleveland Board agents resign Firemen's companies because Milwaukee Mechanics used non-board agents. **Page 3**

* * *

Michigan oil hazard situation disquieting. **Page 4**

* * *

National Convention of Insurance Commissioners convention is shaping up its program for annual meeting. **Page 3**

* * *

E. Roger Owen, former general manager of the Commercial Union at its head office, died Saturday. **Page 10**

* * *

List of states in which insurance in mutuals is prohibited by their constitution. **Page 4**

* * *

Need for personal injury endorsement on pleasure craft seen in Chicago tragedy. **Page 32**

* * *

General Manager Beha of the National Bureau of Casualty & Surety Underwriters answers public charges that persons injured in industry are neglected and receive incompetent treatment. **Page 31**

* * *

The National Guaranty Fire and Independent Bonding & Casualty of Newark, N. J., will move their head office to St. Louis. **Page 12**

Michigan Oil Hazard Is Increased by Brush Fires

IN HEART OF WASTE LANDS

Petroleum Developments Mostly Rural Although There Are Some Oklahoma City Parallels

LANSING, MICH., July 23.—While Michigan has so far escaped any serious oil field fires, the situation within the past week has been disquieting in several instances when brush and muck fires approached within a short distance of producing areas. The Mt. Pleasant-Midland section, known as the central Michigan field, was in greatest danger and on several occasions was saved from disaster only by heroic work on the part of large crews of fire-fighters.

While there has been some petroleum development adjacent to cities in this state, the fire hazards have generally been confined to the fields themselves rather than to surrounding buildings as in the case of Oklahoma City. A situation which threatened for a time to parallel on a small scale the Oklahoma City hazard existed at Saginaw, where wells were sunk up to within a few rods of the main business district. The field was over-developed, however, and most of the wells have now been abandoned and pumping is maintained only from a scattered few of the wells, most of them outside the hazardous section.

Defenseless from Fire

The rapid exploitation of several of the newly discovered Michigan properties, however, has left them rather defenseless from the fire protection standpoint, particularly since many of the best areas are in the heart of waste lands which are covered with underbrush or slashings which frequently catch fire. The state has promulgated strict regulations under a 1929 act which has helped to reduce the hazard, but the widely dispersed developments and the frequency of forest fires, especially during the tourist seasons, has made the oil business rather risky. Many of the wells brought in in the Mt. Pleasant-Midland field also have been gassers when first tapped, augmenting the fire hazard.

Six Months Losses Exceed Those of the 1929 Period

Fire losses in the United States in June, as compiled from reports received by the National Board, totaled $31,818,266, or 5.32 percent less than in the corresponding month last year, when the losses were $33,605,663. For the first six months the losses are $12,207,041 in excess of those in the corresponding period in 1929. The following table shows the losses month by month for the two years:

	1929	1930
January	$ 44,713,825	$ 42,344,000
February	41,520,290	43,206,940
March	41,277,814	42,964,392
April	36,845,795	43,550,996
May	32,129,408	38,415,142
June	33,605,663	31,818,266
Total	$230,092,795	$242,299,736

In June 272 fires occurred, each of which resulted in a loss estimated at $10,000 or more, according to the daily records of the "Journal of Commerce." The aggregate estimated loss from these fires was $18,509,200. In one of these the loss was estimated at $2,000,000 and in one at $1,000,000.

Report on Baltimore Thefts

BALTIMORE, July 23—A total of 1,387 autos was stolen in Baltimore during the first six months of this year, of which 1,307 were recovered, according to figures of the police department. In 1929 there were 1,318 cars reported stolen in the first six months, of which 1,292 were recovered.

More Interest in Quake Cover

Highly Profitable Experience Shown on Line Over 14-Year Period

PREMIUM INCOME GROWS

Non-Boarders Play Important Part in Coast Business Due to More Liberal Policy

SAN FRANCISCO, July 23.—Odganization of an exclusive earthquake carrier at Los Angeles has served to quicken interest in this coverage in California. Although some companies report that there is not much demand for earthquake insurance due to high rates of the last three or four years, it is significant that premium income from this branch in 1929 was $1,936,000, as against $1,800,000 in 1928.

While earthquake insurance is required on most large buildings financed by bond issues, it appears that banks are not so insistent on having this coverage as they were for a year or two following the Santa Barbara earthquake. In many cases, banks are satisfied with elimination of the fallen building clause, requiring a small additional premium. No doubt the rates have had a great deal of influence in bringing about this condition.

Proves Profitable Cover

Official figures show that earthquake insurance has been extremely profitable over a 14-year period, notwithstanding substantial losses in 1925 at Santa Barbara, in 1926 in the Inglewood quake and in 1927 in the vicinity of El Centro. From 1916 down to and including 1929 companies have collected about $12,000,000 on this class of business in California and have paid out in losses approximately $1,184,000, or slightly less than 10 percent.

It is conceded that companies outside the Pacific Board are a factor to be reckoned with in the earthquake situation. Board companies practically without exception have adopted the policy of accepting no earthquake business unless they also have fire insurance on the same risk. Also, board companies are said to adhere strictly to the rule providing for a deductible of 5, 10 and 15 percent respectively, according to classification.

Non-boarders More Liberal

Some non-board companies, on the other hand it is said, accept some earthquake business without having the fire line. Also, the rates are shaved in many cases and the deductible feature modified, the deductible item in some cases being made as low as 2 or even 1 percent. Of the 1929 business of nearly $2,000,000, non-boarders wrote approximately $800,000 with a few trifling losses amounting to less than $1,400.

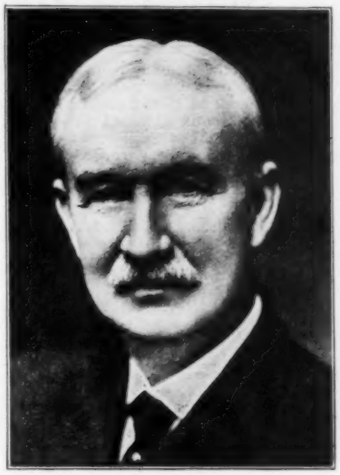
Committee Is at Work

That there is some difference of opinion among underwriters as to the wisdom of the present rates on some classes is indicated by the fact that the earthquake committee of the board has been at work recently on new schedules for certain types of structures. It is said that the committee has made a preliminary report to the executive committee of the board and that this report has been referred back to the earthquake committee for further investigation.

It is understood that the committee may attempt to revise the rates on steel frame structures with brick curtain walls so as to bring these more nearly on a level with those prescribed for reenforced concrete structures of like construction.

The comparative table of earthquake rates shown in the columns below gives in concise form changes and increases since 1920.

Two Western Octogenarians



A. F. DEAN
Former Springfield Manager

THOMAS E. GALLAGHER
Former Aetna Manager

Two Chicago fire insurance octogenarians celebrate their birthday anniversaries next week. A. F. Dean, who spent all his business life in the Springfield F. & M., retiring some years ago from the western management, will be 88 years of age next Wednesday. Mr. Dean is the outstanding scholar of the business. He is the author of the analytic system of rating and contributed much to the scientific development of the business. He is confined to his home at Evanston, Ill., with disability but his mental faculties are as keen as a razor's edge. Another of the retired managers who will attain his 82nd birthday next Thursday, is Thomas E. Gallagher, who formerly was western manager of the Aetna and in his day was active in many phases of the business. He resides at the Union League Club in Chicago and is frequently found at insurance gatherings and renewing old associations. He takes particular pride in the formidable list of his grandchildren and great grandchildren. He is one of the beloved men of insurance.

Departments Concerned Over Unlicensed Carriers

Departments of Wisconsin, Indiana, Texas and South Dakota are concerned over operations of the Associated Underwriters Agency of New Albany, Ind., and its carriers, the Universal American Underwriters of Fort Worth, National Underwriters and Southwestern Underwriters, both of Huron, S. D., following the discovery by the Wisconsin department that policies in the Universal American Underwriters issued in Wisconsin emanated from the Associated Underwriters of Indiana. According to W. A. Tarver of the Texas department, the Universal American Underwriters is not licensed there, and information in the department indicates that the Associated office is operating similarly to certain agencies formerly domiciled in New Jersey which were forced to discontinue after New Jersey law was amended making it a misdemeanor for any one to operate an agency representing unlicensed companies.

Mr. Tarver says the Universal American has its main office in Texas but writes no business there nor in any company admitted in the state. The Associated Underwriters is reported to be placing business also in the two Huron companies and the South Dakota department intends to seek cancellation of their licenses.

Comparative Table of Rates on Earthquake by Classes

Class—Description	Up to 10-18-20	10-18-20 9-24-23	9-24-23 7-13-25	7-13-25 11-5-25	11-5-25 5-5-27	5-5-27	5-3-28 and Since
5 PERCENT							
1—Dwellings, Class D.. and	.35	.35	.26	.35	.14	.25	
Small Class D. Bldgs. Mercantile	.35	.35	.26	.35	.40	.80	.20
2—Superior Class "A"..	.25	.16	.15	.25	.35	.60	.30
3—Superior Class "B"..	.25	.24	.19	.25	.60	1.50	.40
10 PERCENT							
4—Frames, Class D 3,000 to 4,000 Sq. Ft.	.35	.35			.40	.80	
Frames, Class D..... over 4,000 Sq. Ft..	.40	.40	.26	.35	1.25	3.50	.50
5—Ordinary Class "A"..	.25	.16	.15	.25	.35	.60	.40
6—Ordinary Class "B"..	.25	.24	.19	.25	.60	1.50	.50
15 PERCENT							
7—Ordinary Class "C"..	.35	.32	.22	.40	1.00	2.75	1.50
8—Tile, Con. Blk., Adobe.	.40	.40	.26	.40	1.25	3.50	3.50

Classes 1, 2 and 3 are written by board companies with a 5 percent deductible clause; Classes 4, 5 and 6 with a 10 percent deductible, and Classes 6, 7 and 8 with a 15 percent deductible. Note the radical increase in rates in November, 1925, and May, 1927, and the general decrease in May, 1928, three years after the Santa Barbara shock. In certain cases in which buildings have exceptional structural features, a special rate is made.

Statement Calms California Furore

Davenport Denies Any Pacific Agreement With Furniture Association

AGENTS WAGE CAMPAIGN

Los Angeles Secretary Issues Bulletin Without Authority—Seek to Thwart Fruit Growers Deal

SAN FRANCISCO, July 23.—An investigation of the reported agreement between the Pacific Fire and the Retail Furniture Association of California, which created a major furore throughout the insurance business in California when it was reported last week, indicates that the announcement sent out on a bulletin letterhead of the furniture association was incorrect and that no such deal was ever in existence.

On Monday Dixwell Davenport, Pacific coast manager of the Pacific Fire, issued a statement.

"In view of the publicity given a purported agreement between the Pacific Fire of New York and the Retail furniture Association of California," he said, "I am compelled to issue an emphatic denial that any such arrangement ever existed. This office has always been a loyal supporter of the National Association of Insurance Agents and has never dealt directly with any company or association and at all time has protected the interests of the broker and agent. Neither is this office in favor of a group insurance deal of this character and will not under any consideration be a party to such a scheme, which can only tend to break down the effectiveness of the agency system throughout the country. As far as we have been able to determine the announcement which was sent out by the Los Angeles office of the Retail Furniture Association was not an authentic announcement by that organization but was done by a local representative. In fact no deal had ever been entered in by this company and the furniture association and when submitted for consideration had been promptly declined."

Disclaims Knowledge of Deal

Officers of the Retail Furniture Association disclaimed any knowledge of any action by the organization and appeared to be at a loss to understand the issuance of a bulletin of this character on the organization's stationery. It was signed by David J. Williams, secretary of the Los Angeles office, and state headquarters admitted that he sometimes issued bulletins in confidence to members without notifying the headquarters office. It has also been learned that Sydney E. Walsh, board agent and broker of Los Angeles, who was named as being employed as insurance counsel by the association, is now contending that he had nothing to do with the proposed deal. Mr. Davenport's explanation is that Mr. Williams sent the notice out before the matter had been definitely settled or while it was being discussed with Los Angeles agents.

Agents Visit Furniture Dealer

Nearly every furniture dealer in California had a visit from local agents last Friday and Saturday following publicity of the bulletin's contents. The headquarters of the California Association of Insurance Agents as soon as it was informed that the deal had never really been closed and had not been accepted by the company, notified the district

(CONTINUED ON LAST PAGE)

Modern merchandising of a modern policy advertises The Alliance Agent as the modern insurance specialist.

THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Head Office: 1600 Arch Street, Philadelphia

CHICAGO
209 W. Jackson Blvd.

SAN FRANCISCO
231 Sansome Street

ATLANTA
8th Floor, Hurt Bldg.

Chicago Fire Premiums Show Slump in Year Ended June 30

Effects of the reduction in average rate and also of the business depression readily are seen in 1930 figures on Chicago fire premiums obtained this week from the city auditor's office, where returns are made for the purpose of levying the 2 percent fire department tax. Where comparative figures of 1929 and 1928 have been readily obtainable they have been presented in the tabulation below, but it must be emphasized that some figures are incomplete. Those reported incomplete to the auditor's office have been so designated. The totals recorded herewith are for the year which ended June 30.

	1930	1929	1928
Allemannia	17,110	36,625	24,423
American Automobile	17,597	18,785	11,057
American Central	91,258	88,734	119,189
American Mutual, R. I.	2,081	2,366	133
Anchor of R. I.	41,771	4,545	.....
Atlantic Mutual, Ga.	128	1,420	31,000
Automobile, Conn.	228,868	250,540	.....
Blackstone Mut., R. I.	15,000	9,883	12,946
British American Assurance	11,183	32,541	19,853
Carolina Mutual	2,137	870	774
Century of Scotland	59,021	55,739	80,314
City of Pennsylvania	5,044	1,406	4,923
Cot. & Wool Mfgrs. Mut.	1,810	5,188	6,197
Eagle Fire, N. Y.	14,160	18,003	18,885
East & West	23,689	25,208	.....
*Employers, Mass.	59,595	106,758	142,477
Enterprise Mutual, R. I.	2,081	2,366	2,377
Fall River Mfgrs. Mutual	8,034	4,740	2,676
Farmers Fire, Pa.	65,353	81,339	53,402
Federal, N. J.	20,045	39,684	51,161
Fidelity Mutual	172	.....	.....
Fidelity & Guaranty	129,221	.....	.....
Fire Association	322,244	347,278	315,040
Firemen's Mut., R. I.	36,447	19,656	16,373
Fitchburg Mutual	890	2,861	1,382
*Germanic Fire, N. Y.	11,208	.....	.....
Grain Dealers Nat. Mut.	6,226	5,144	13,589
Hardware Mutual, Minn.	1,571	.....	.....
Hdw. Dealers Mut., Wis.	1,780	1,567	6,117
Hope Mutual	5,006	5,289	5,374
Industrial Mutual	1,158	1,267	3,535
Law, Union & Rock	105,130	144,728	76,6[illegible]
Liverpool & London & Globe	255,990	302,735	313,689
London Assurance	193,622	269,593	258,154
London & Lancashire	182,085	313,455	224,935
London & Scottish	38,382	38,906	35,002
Lumber Mutual, Mass.	6,469	5,307	6,023
Lumbermen's Mut., O.	22,753	16,975	17,730
Manhattan F. & M.	43,444	70,067	85,578
Marine of London	1,528	.....	.....
Market Men's Mut.	1,464	.....	.....
Manufacturers Mutual, R. I.	3,468	3,943	3,961
Mechanics Mutual, R. I.	2,081	2,376	2,377
Merchants Mutual, R. I.	9,538	6,459	.....
Mercantile Mutual, R. I.	7,673	5,916	21,485
*Merchants, N. Y.	81,994	270,716	271,001
Merrimack Mutual	1,620	.....	.....
Minn. Impl. Mut.	$ 6,601	$ 3,486	$ 3,434
Narragansett Mutual, R. I.	3,836	2,356	3,391
National Implement Mutual	853	1,258	.....
*National Union	87,848	156,812	135,955
*New York Underwriters	1,274	.....	.....
Northern Assurance	180,475	176,448	208,302
North River	95,236	122,496	122,055
Northwestern Mutual, Seattle	21,805	.....	.....
Norwich Union (U. S. Branch)	97,085	131,053	141,026
Ohio Hardware Mut.	810	.....	.....
Orient, Hartford	202,306	232,531	250,863
Ohio Mutual	1,061	1,572	998
Pawtucket Mutual	5,084	4,503	4,165
Providence Washington	102,365	128,086	149,758
Reliance, Pa.	153,277	172,022	157,716
Retail Hdw. Mut., Minn.	1,571	1,388	2,932
Rhode Island Mutual	3,468	3,943	3,961
Richmond, N. Y.	37,369	61,102	51,373
Rubber Mfgrs. Mut.	2,074	4,837	6,289
Safeguard, N. Y.	65,333	70,252	43,681
Sea of Liverpool	884	.....	.....
Security of Connecticut	149,590	184,671	176,970
Security Mutual, Minn.	83	.....	.....
Standard, N. J.	106,707	107,711	97,310
Star of America	77,885	150,188	176,612
State Mutual, R. I.	4,161	4,731	4,754
Transportation	38,268	.....	.....
Travelers Fire	147,074	154,897	126,773
Triangle of Pennsylvania	92	471	.....
*United Firemen's	12,865	33,450	48,803
United Mutual	21,925	2,900	9,111
United States Fire	117,420	197,127	182,798
Union Mutual, R. I.	12,816	.....	.....
Universal, N. J.	84,953	127,585	9,225
U. S. Merchants & Shippers	52,180	64,506	72,095
Victory, Pa.	58,130	98,929	104,039
Virginia F. & M.	59,194	67,867	72,101
*Washington Assurance	27,632	35,388	26,056
Western Assurance, N. Y.	56,839	98,744	76,741
What Cheer Mutual	5,119	5,677	5,654
Wheeling Fire	10,381	11,554	14,281

*Incomplete figures.

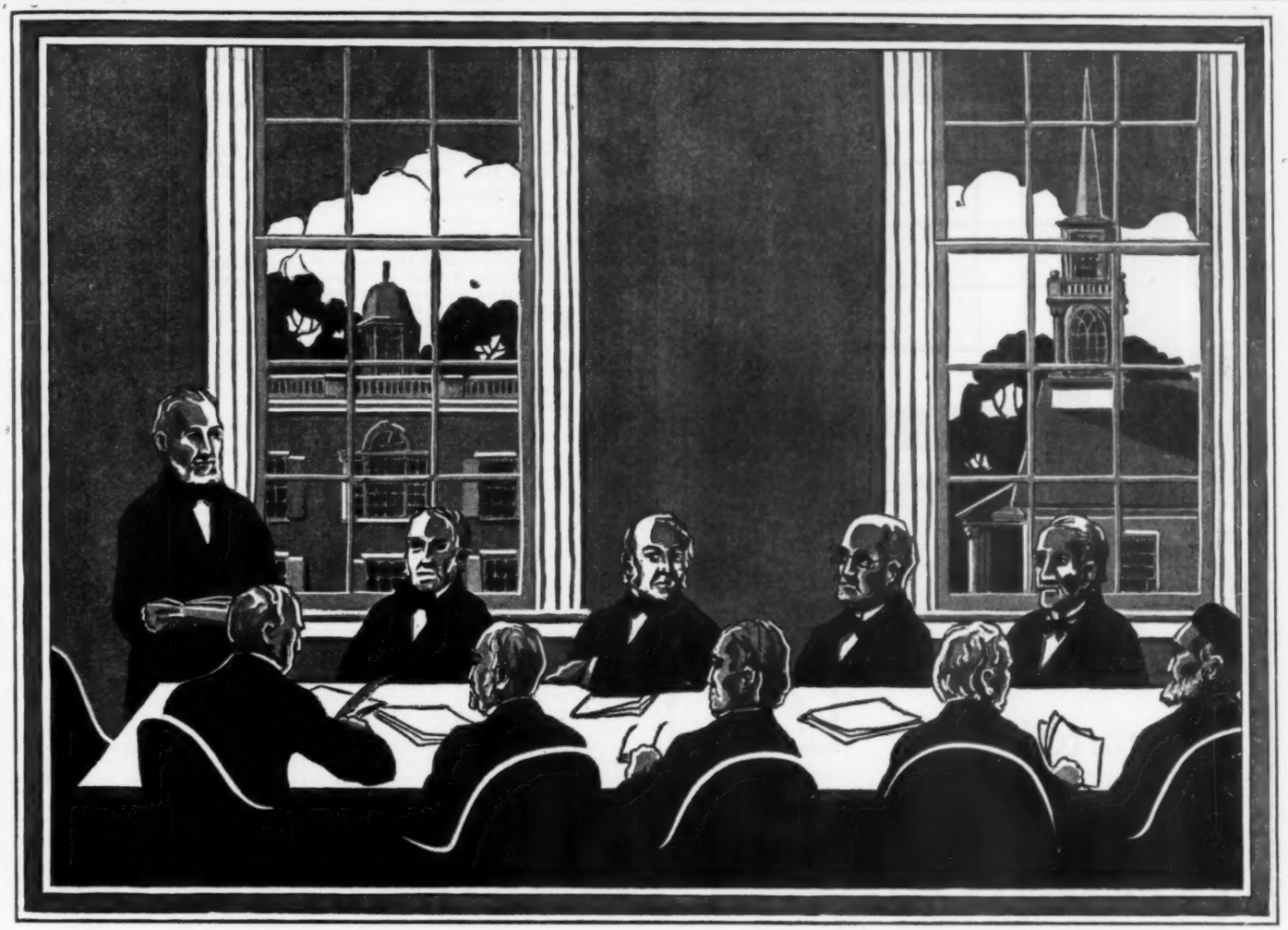
Association Is Incorporated

The National Fire Protection Association has been incorporated. Among the official incorporators who were present beside the officers, at the time the legal documents were filed, were some of the prominent Boston members who have been active in its affairs, including Gorham Dana, Ralph Sweetland, W. H. Winkley, W. D. Milne, Eugene C. Smith, John S. Caldwell and A. L. Brown. Mr. Sweetland was chosen as the first chairman of the board. The annual meeting will be held in Toronto May 11.

London Lloyds in New Role

London Lloyds is said to be quoting new insurance for motion picture exhibitors to protect them against loss of shows through the breakdown of talking motion picture equipment. It is reported that the average rates being charged for the coverage is $80 a year on daily receipts of $125. Conditions are that the film is permitted to break down three days running only and a maximum of 14 breakdowns is allowed in a year.

The **Merchants Fire** of Colorado has been admitted to Kansas. Its business there probably will be handled direct.



A HEAVY pall of smoke hung over New York. The great fire of 1845 had burned itself out. New York property owners were asking one another, "Will the insurance companies be able to meet their losses?"

To the north, in Hartford, directors of the Ætna Insurance Company were listening to President Thomas K. Brace, who had just returned from New York.

"Gentlemen," he said, "our entire surplus has been wiped out and our capital seriously impaired."

"What are we going to do?" asked one of the anxious directors.

"Do?" exclaimed the President, without a moment's hesitation. "Why, we are going to pay every loss in full—dollar for dollar—and we are going to do it at once."

Then, reaching into his inside coat pocket, he drew out a sheaf of unsigned notes with different amounts filled in on each. These he passed around the table, saying, "Mr. Morgan, you sign this, Woodbridge, sign this," and so on until in front of each of the seventeen directors was a significant bit of paper. President Brace had calculated the relative ability of each director to pay, and had made out the notes accordingly.

Every man signed—there was no questioning—no hesitation. The President then added his personal endorsement to the notes and immediately had them discounted at the bank. Thus all Ætna claims were paid in full.

Agents deliver Ætna Fire Group policies always with the knowledge that behind them is something more than mere figures representing dollars and cents.

A MULTIPLE LINE FIRE AND CASUALTY ORGANIZATION
ÆTNA WORLD CENTURY
THE ÆTNA FIRE GROUP

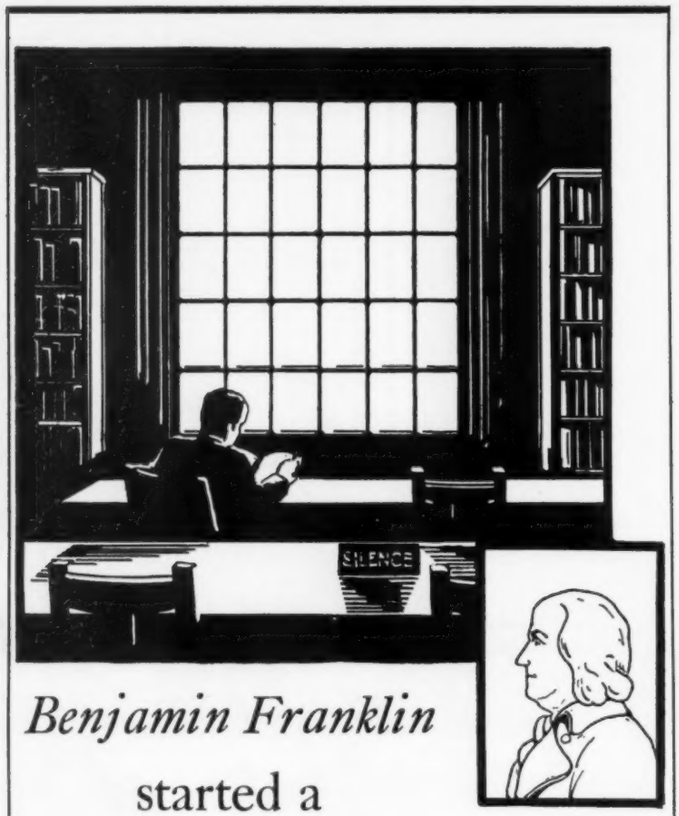
THE ÆTNA FIRE GROUP

ÆTNA INSURANCE COMPANY — THE CENTURY INDEMNITY COMPANY

THE WORLD FIRE AND MARINE INSURANCE COMPANY

HARTFORD - CONNECTICUT

PIEDMONT FIRE INSURANCE COMPANY - - CHARLOTTE, N. C.



Benjamin Franklin

started a

Subscription Library

IN 1731, Franklin started a subscription library in Philadelphia—the first in America.

This library was a forerunner of the wonderful American library system of today.

Franklin displayed remarkable ability in many different fields of endeavor. But perhaps his most notable characteristic was his ability to put a new scheme into successful operation.

The Franklin Fire Insurance Company, the first to perpetuate the name of Franklin, has for more than a century furnished sound, reliable insurance against fire and other hazards to property.

The FRANKLIN
FIRE INSURANCE COMPANY
of PHILADELPHIA

ORGANIZED 1829 WILFRED KURTH, Pres.

Blue Goose Cancels Group Contract, But Gets Another

QUITS AMERICAN NATIONAL

Dispute Over 75 Percent Clause Leads to Deal With First Texas Prudential

E. D. Marr, insurance secretary Honorable Order of the Blue Goose, International, has issued a bulletin announcing cancellation of the group life insurance contract between the American National of Galveston and the Blue Goose. A new contract has been negotiated, according to the announcement, with the First Texas Prudential of Galveston and all Blue Goose group insureds are now covered in that company.

The so-called 75 percent clause of the group contract and the question of what service the Blue Goose might perform for its policyholders were issues in dispute. Furthermore Mr. Marr reported that in the last 30 days the American National has declined outright more than 26 percent of all applications and that impairments have been reported to the Medical Impairment Bureau.

According to Mr. Marr the contract with the First Texas Prudential is highly satisfactory. He reports that the 75 percent clause has been eliminated; that impairments and rejections will not be reported to any person, persons or organizations; a more liberal conversion privilege is provided; arrangements have been made for the submission of previously rejected applications on a group underwriting basis; assurance has been given that as soon as the Blue Goose is able to reduce the average age of the insured members to 45 years or less, the premium rate will at once be reduced to $8 per thousand. Mr. Marr adds that details are being worked out for a more liberal plan of increased coverage which will be submitted to the membership.

Mr. Marr concludes by quoting a commendatory criticism of the First Texas Prudential from Best's Life Insurance Reports, 1930. The capital of the First Texas Prudential is $200,000 and the surplus is more than $135,000. Assets total $1,500,000.

Grain Association O. K.'s Reporting Form of Cover

RATE TEN PER CENT HIGHER

Short Rate Is Still Available to Those Elevator Operators Who Prefer It

The Underwriters Grain Association has approved the reporting premium adjustment form of cover for those terminal elevator operators who elect to use it. The short rate is still available, however, for those who prefer it.

Although the reporting form carries a 10 percent increase in rate over that charged in the old system, many elevator operators believe that it will bring important savings. Under the reporting cover, elevator operators will report every week on daily values to the offices of the Underwriters Grain Association under Manager William L. Lerch.

Ask for Preference

Elevator operators who have been customers of the Underwriters Grain Association are being solicited to express preference between the two covers.

The reporting form of cover was approved after a series of negotiations with the insurance committee of the Terminal Elevator Association, the chairman of which is J. A. Mull of Minneapolis. During the annual convention of the Terminal Elevator Association on June 11, the insurance committee of that organization held a conference with the advisory committee of the grain association for discussion of the project.

CHANGES IN THE FIELD

Coffin in Northern Illinois

State Agent Buckman of the Royal Is Given Increased Authority in Field

J. W. Coffin, who has been an automobile adjuster connected with the western department of the Royal, has been appointed special agent in Illinois to work with State Agent R. A. Buckman. He succeeds Eugene A. Cox, who recently resigned. Mr. Coffin will travel in northern Illinois. D. M. Vance of Bloomington has the southern part of the state. Under the new arrangement following the transfer of the western department to New York, Mr. Buckman will be given increased authority and will have charge of all losses in Illinois, and, in fact, will handle all details for Illinois agents. Mr. Buckman is one of the outstanding field men of the state and is a veteran in the business.

Mr. Coffin is a son of Fred B. Coffin of the Chicago agency of Moore, Case, Lyman & Hubbard. He went with the Royal in November, 1928, first doing special agency work in Cook county and then was transferred to the automobile department.

C. A. Palmer

In succession to W. N. Duval, recently resigned, C. A. Palmer has been appointed special agent in Wisconsin for the Royal Exchange, Provident Fire and the State Assurance. Mr. Palmer, who will make his headquarters at Milwaukee, has been an important examiner in the western department of the Royal Exchange at its United States headquarters in New York City for several years.

H. S. McElwaine

H. S. McElwaine has left the Baltimore-American of which he was special agent in Indiana, to become special agent of the Security of Davenport in Indiana. The Baltimore-American will now be handled through the George L. Ramey general agency in Indiana.

Harry E. Moore

Harry E. Moore has resigned the special agency of the National Ben Franklin and the Concordia in Virginia. He had been supervising that territory for the companies from Richmond for four years. Previously he was with the home office of the Firemen's at Newark. He has not announced his plans for the future.

W. H. Cullen, Jr.

William H. Cullen, Jr., for many years with the State Fire at Austin has resigned to become special agent for the National Union. Mr. Cullen will have headquarters in Austin and will travel south Texas.

Reduce British Fire Loss

A decrease of £2,047,000 in fire losses in Great Britain and Ireland for the first six months of 1930 as compared with the same period last year is reported in a table published by the London "Times."

Promise *and* Performance

To make statements in printer's ink is easy. So with promises. But in keeping them, even starting out with the best intentions, one may sometimes be sidetracked.

Bearing this human failing in mind, we have been careful to confine ourselves in our advertising entirely to established practices and policies followed in the operation of the Corroon & Reynolds' group of insurance companies. Thus we have been speaking of promises that have been fulfilled not only once but hundreds of times, to agents and policy holders.

Advantage has been taken by many agents of our invitation to learn more about our organization. They have learned that what was said to them in printers' ink is exactly what they found after entering into an agency relationship with our companies.

Therefore we say again: If you are interested in representing companies that appreciate the agent's place in the insurance picture and treat him accordingly, write us. Or write to any of our present agents first and get his views of "C. & R." companies. We feel sure that you will then write us.

Corroon & Reynolds

INCORPORATED

Insurance Underwriters

Manager

92 William Street New York, N. Y.

AMERICAN EQUITABLE ASSURANCE COMPANY OF NEW YORK
Capital, $2,000,000.00

BRONX FIRE INSURANCE COMPANY OF THE CITY OF NEW YORK
Capital, $1,000,000.00

BROOKLYN FIRE INSURANCE COMPANY
Capital, $1,000,000.00

GLOBE INSURANCE COMPANY OF AMERICA
Pittsburgh, Pa.
(Incorporated 1862)
Capital, $1,000,000.00

INDEPENDENCE FIRE INSURANCE COMPANY
Philadelphia, Pa.
Capital, $1,000,000.00

INDEPENDENCE INDEMNITY COMPANY
Philadelphia, Pa.
Capital, $1,250,000.00

JEFFERSON FIRE INSURANCE CO.
Newark, N. J.
Capital, $400,000.00

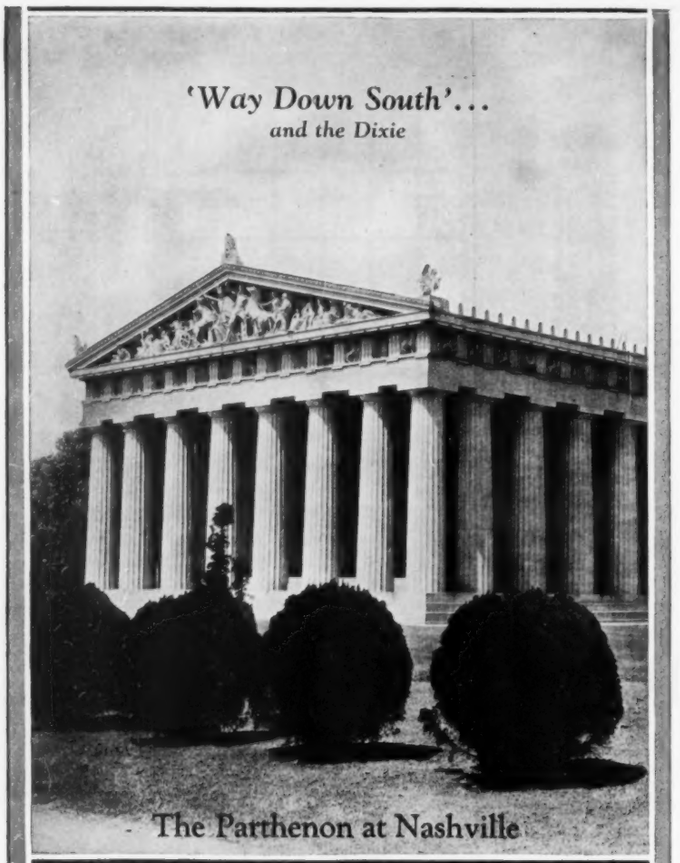
KNICKERBOCKER INSURANCE COMPANY OF NEW YORK
Capital, $1,000,000.00

LIBERTY BELL INSURANCE COMPANY
Philadelphia, Pa.
Capital, $1,000,000.00

MERCHANTS AND MANUFACTURERS FIRE INSURANCE COMPANY
Newark, N. J.
(Chartered 1849)
Capital, $1,000,000.00

NEW YORK FIRE INSURANCE COMPANY
(Incorporated 1832)
Capital, $1,000,000.00

REPUBLIC FIRE INSURANCE COMPANY OF AMERICA
Pittsburgh, Pa.
(Incorporated 1871)
Capital, $1,000,000.00



NASHVILLE
Tennessee

FOUNDED in 1780 by a band of pioneers under the leadership of James Robertson, and named in honor of General Francis Nash, a distinguished officer of the Revolutionary War, Nashville today is the capitol of Tennessee, and is called "The Athens of the South" because of its educational activities. In this handsome, well-built city will be found nearly a score of institutions for higher education... Here will be found more than 300 manufacturing plants, and it is a leader in the milling of flour and the publication of religious periodicals, and the exporting of live stock... The traveler will be interested in Centennial Park in which is situated the Parthenon—the only exact replica of the old-world Parthenon—used as an art gallery. There are the beautiful State Capitol and Tennessee War Memorial buildings; a huge National Cemetery, and a number of famous statues of still more famous men. Here is a City of which the South may well be proud.

The DIXIE
FIRE INSURANCE COMPANY
Greensboro, N. C.
Organized 1906
Surplus to Policyholders $1,232,970.54
ONE OF THE AMERICAN GROUP

Thompson Letters Favor Minority Company Group

CONRAD MANN IS ANSWERED

Actuarial Committee Declares There Has Been No Deception or Any Sharp Practice

Superintendent Thompson of Missouri has written to those stock companies which are not collecting the 16⅔ percent rate increase, indorsing their policy. The letters were written to aid these few companies in competition with the majority charging the higher rates, some of whose agents are calling the minority companies "cut raters." Mr. Thompsons' communication states that the lower rates are those approved by the Missouri department and are adequate.

The subscribers' actuarial committee in Chicago has sent out a very emphatic denial of the charges made in the letter of Conrad Mann, president of the Kansas City chamber of commerce, to company executives in which he charged breach of faith on part of the insurance committee in its dealing with the Missouri department and the business men relative to the rate litigation. Mr. Mann made special attack on C. R. Street, western manager of the Great American, who is chairman of the committee, and Attorney R. J. Folonie. The committee denies that there was any "double-crossing" or attempt to take any advantage of the Missouri people. There was no misunderstanding in its opinion on any point raised. The letter said that there was no possible legal advantage for the companies to deal in any sharp practice.

The letter further says:

"It seems as if certain interests are concentrating on the accomplishment of one or all of three objects.

"First, the settlement of the Missouri litigation by surrender on the part of the companies pending a decision by the Supreme Court of the United States two, three or four years hence. Second, discrediting this committee and bringing about some action by eastern offices, necessarily farther away from the scene of action.

"Thirdly, the elimination of Mr. Folonie as counsel for the companies. No denial ever catches up with the truth but your committee feels this statement by the chamber of commerce of Kansas City can not properly be permitted to pass unnoticed. The facts in any matter relating to insurance in Missouri have always been generally unexplainable to the people in that state, prejudiced as they have been against insurance interests for several decades, but surely they are not so to you. The record will clearly show that the conduct of this matter by your committee is utterly devoid of any act of bad faith as charged by the chamber of commerce.

"Many of our Missouri friends do not seem to realize that if we are ever to get together, such an end is not to be brought about by recriminations or by plain disregard of the modest rights of a legitimate business."

Chicago Brokers Plan Drive Against Cut Rate Practice

A program of recrimination against those institutions which offer cut rate insurance as a bonus to customers was discussed at the quarterly meeting of the Insurance Brokers Association of Illinois. The brokers were particularly indignant at a Chicago bank which offers $1 a year travel accident policies to those making a $5 savings deposit with the bank.

In order to discourage banks from entering into insurance contracts which deprive brokers of their commissions and divert insurance from regular channels, the brokers association discussed the possibility of conducting a propaganda against Chicago banks, pointing out that the 3 percent interest on savings in that city is lower than is offered in other parts of the city.

President Frank P. Lavin declared that there is a growing tendency to use insurance as a trade leader. He cited the newspapers offering group insurance to their readers, furriers advertising free insurance, cleaners and dyers and warehousemen entering into a direct contract with the companies over the producer's head.

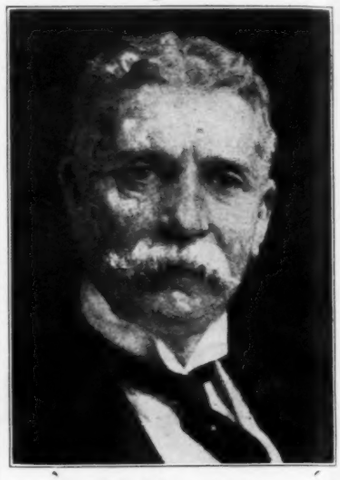
Furthermore the brokers decided to put in the hands of the insurance department evidence of insurance companies writing fictitious automobile fleets among employes of important public utilities. If this is not effective, the brokers discussed the advisability of crusading against the utilities, urging that telephone tolls be abolished within a 50 mile radius of Chicago.

Arthur Gallagher reported on the work he has done in attempting to organize a national association of brokers. He said that the San Francisco brokers had favored the idea as well as the New York brokers. It is necessary in order to influence legislation and gain audience with companies.

Fred Bracken told of a plan to advertise the service of the Insurance Brokers Association of Illinois in the daily newspapers. He said that the seal of the association would be available for members to use on their stationery.

Among the other speakers were L. T. O'Brien, Hugh W. Logsdon and David R. Domke.

Was a Leader



E. ROGER OWEN

E. Roger Owen, for many years general manager at the head office of the Commercial Union of England, died Saturday morning. He was about 84 years of age. He retired from office July 1, 1920, but still retained a directorship in the various companies of the Commercial Union fleet and acted as chairman of the Ocean Accident, Palatine and Union Assurance. During his day Mr. Owen was one of the chief figures in underwriting circles of Great Britain. He entered the business in 1865 in the Liverpool office of the Alliance Assurance. Then he was made resident secretary at Sheffield and was called to the head office in London. While he was in South America inspecting business for the Alliance in 1885 the Commercial Union appointed him fire manager. In 1901 he was made general manager. During his day the Commercial Union grew rapidly, its income increasing from £3,000,000 to £17,000,000. Its assets were tripled. Mr. Owen made visits to the United States and became well known to many of the prominent underwriters on this side of the water.

CHICAGO NEWS

INSURANCE STOCK COMMENT

Commenting on the insurance stock market situation, H. W. Cornelius of H. W. Cornelius & Co., of Chicago, says:

"There was a fair volume of buying the past week and the general undertone was good with a number of stocks showing advances. The situation has been more encouraging each week since the first of the month and we see no reason for changing our opinion expressed a couple of weeks ago that prices would work higher as the public gained confidence."

A comparison of the bid prices of a few representative issues follow:

	July 15	July 22	Chge.
Aetna Fire	60	61½	+ 1½
Aetna Life	81	84	+ 3
American, N. J....	18½	19	+ ½
Hartford Fire	72	73	+ 1
Home, N. Y.	41½	42	+ ½
Providence-Wash...	63	64	+ 1
Security, N. H.....	31	34	+ 3
Travelers 1350		1375	+25

* * *

OFFICE IS UNPOPULATED

The western offices of the American Fore are largely unpopulated these days with Vice-Presidents E. A. Henne and A. S. Wilbur and Secretary J. H. Macfarlane on vacation. Mr. Macfarlane is vacationing at Egg Harbor, Wis., while Mr. Henne and Mr. Wilbur are taking motor trips.

* * *

AGENCY LEADERS IN CHICAGO

The officers and members of the executive committee of the National Association of Insurance Agents will be at the Edgewater Beach hotel in Chicago this week for the summer meeting. On Thursday of this week the central western conference committee will meet with the governing committee of the Western Underwriters Association. E. E. Fisk of Green Bay, Wis., is chairman of this committee. W. B. Calhoun of Milwaukee, chairman of the finance committee of the National association, will meet with the officers.

* * *

Carl L. Odell with Moore, Case, Lyman & Hubbard has been changed from class 1 member of the Chicago board to class 3.

* * *

Western Manager **S. M. Buck** of the Firemen's Fund is in the Lake Flambeau region in Wisconsin on a fishing trip.

* * *

President **Alfred Stinson,** Automobile of Hartford, arrived in Chicago Tuesday for a few days business visit with Guy W. Funk, western manager Automobile of Hartford.

NEW YORK NEWS

BARBOUR SOON TO RETURN

R. P. Barbour, United States manager of the Northern of London, who has been abroad for the past two months visiting the home office of his company and then crossing to the continent, is due to arrive in New York City on July 25.

* * *

McMAHAN APPOINTMENT FORECAST

Though Governor Roosevelt of New York has given no hint thus far as to his probable selection of an insurance superintendent in succession to Albert Conway resigned a month ago to assume a judgeship in Kings county, the conviction is still general that the post will go to Edward M. McMahan, a prominent attorney of New York City.

* * *

JERVEY IS ASSISTANT SECRETARY

Louis P. Jervey has been elected assistant secretary of each of the fire companies comprising the America Fore group. He had been agency superintendent of the southeastern department and will aid in the removal of the department from this city to Atlanta, where he will become chief assistant to Secretary John W. Clark. Mr. Jervey entered the fire insurance line 19 years ago as a young clerk in the southern department of the Fire Association, continuing the connection for four years when he left to assume charge of the accounting department in the managerial office of Jerome & Brown of Atlanta, subsequently becoming special agent for the office in Alabama and South Carolina. In 1920 he accepted the Virginia special agency of the Fidelity-Phenix, holding the position until 1928 when he was called to the chief office in New York City as agency superintendent for the fleet.

Peoples Fire, Maryland

The Peoples Fire of Frederick, Md., has filed its charter with the secretary of state at Baton Rouge, La.

Hartford Might Write Crop Cover, Aetna Not Interested

HARTFORD, July 23.—In connection with the McNary crop insurance bill before Congress which would authorize the United States Department of Agriculture to compile, analyze and make public data in regard to crop hazards and crop yields, Richard M. Bissell, president of the Hartford Fire, said his company would be glad to study any figures that the department might collect and that in conjunction with other companies it would be willing to discuss possibilities of writing full crop cover. The Hartford carries a somewhat similar line, although it has never attempted to underwrite major crops. It has confined its activities to insuring truck gardening products and the like.

Mr. Bissell said he believes Senator McNary to be sound in the proposed plan, but emphasized that the yearly wheat crop is valued at $600,000,000, a figure far too great to be carried by any single company. Considering the tremendous figure that the country's farm products would reach, he said the extent of coverage the farmer would be able to buy at the necessary premium level would about cover his costs in raising the crop.

Guy E. Beardsley, vice-president of the Aetna Fire, took an opposing view. He said his company had been convinced, in view of its experience with hail lines, that the risks in crop insurance are too uncertain to warrant consideration. He does not believe that sufficient information can ever be compiled to make such risks more than a gamble.

Read **The National Underwriter** regularly. Subscribe for a personal copy.

THE ADROIT USE OF DIRECT-BY-MAIL . . .

A highly important influence in the building up by local insurance agents of their premium incomes can be credited to the cleverness of the advertising folders that they issue.

For our own part, we spare no effort and expense in making the folders a powerful and reliable means of increasing premium income. In producing these special folders for our agents, we subordinate our companies' names so that they have all the value and punch of locally-printed material. The return mailing card is made a part of each folder and is set in the same style of type.

To make all this material extra effective upon the recipients, the Advertising Department also suggests the text of letters to be used by the agents in issuing the folders.

Why not examine some samples of these folders? Our Advertising Department will consider it a privilege to send you copies and also a specimen issue of our monthly business-building magazine THE ACCELERATOR.

BOSTON INSURANCE COMPANY
OLD COLONY INSURANCE COMPANY
87 KILBY STREET, BOSTON, MASSACHUSETTS

Three in 100

It is estimated that only three people out of every 100 take time to read an insurance policy carefully. When such conditions exist it is not surprising after a loss to find much misunderstanding between an insurance agent and his clients.

The policy much to the surprise of many clients reads "This company shall not be liable beyond the ***actual cash value*** of the property at the time any loss or damage occurs."

Much depends upon the ***actual cash value*** which courts hold is the cost to replace the property new, less the actual depreciation.

This crucial value can only be ascertained by means of a thorough appraisal such as that offered by The Lloyd-Thomas Co.

Wise insurance men avoid misunderstanding among their clients by insisting upon a Lloyd-Thomas appraisal.

"WHAT IS AN APPRAISAL?—It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

"ITS ADVANTAGES—1st—It discovers insurable values that have long been written off the books through unscientific depreciation—2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance."

The Lloyd-Thomas Co.

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES

APPRAISAL ENGINEERS

4411 Ravenswood Ave., Chicago
120 Broadway, New York

Cincinnati	Cleveland	Detroit	Indianapolis
St. Louis	Milwaukee	Pittsburgh	Memphis
Denver	Toronto	Minneapolis	Kansas City
Washington	Los Angeles	Atlanta	Des Moines
Birmingham	Omaha	Berlin	London

COSMOPOLITAN FIRE INSURANCE COMPANY

92 William Street, New York City

CAPITAL $1,000,000

Surplus and Voluntary Reserve . . $1,508,043.98

OFFICERS

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FRANK COHEN, Vice-President and Treasurer

JAMES A. BLAINEY, President

W. A. RATTELMAN, Vice-President

PERCY F. BIGLIN, Secretary

M. L. FITZPATRICK, Assistant Treasurer

Newark Companies to Move Headquarters to St. Louis

ST. LOUIS, MO., July 23.—Directors of the National Guaranty Fire and the Independent Bonding & Casualty have approved plans to move both home offices from Newark, N. J. to St. Louis, immediately. Both are controlled by the Marquette-Easton Finance Corporation of St. Louis, which also owns the Prudential Casualty & Surety of this city.

The National Guaranty was organized at Newark about five years ago and has been writing fire insurance in 10 states and Canada.

It has $300,000 authorized capital and about $800,000 surplus. The Independent Bonding has also been operating at Newark for about five years, has $250,000 capital and about $500,000 surplus. It operates in 15 states and writes general casualty lines.

When the Marquette-Easton Corporation bought control of the Newark companies it was reported the deal involved $1,700,000 in assets. It was stated that slightly more than 50 percent of the stock of both companies was obtained for $600,000 cash and an exchange of stock of the Marquette-Easton corporation.

Recently the general fire business of the National Guaranty was reinsured by the Chicago Fire & Marine of Chicago. This was purely a reinsurance deal. As of Dec. 31, 1929, the National Guaranty reported admitted assets $928,635, $377,876 reserves for unearned premiums, of which $319,840 was for fire and $87,908 for other lines, premiums written in 1929, $523,721, and premiums earned, $398,110.

When the company is moved to St. Louis it will operate as an exclusive automobile company as a running mate for the Prudential Casualty & Surety. The Independent Bonding & Casualty will be used as an excess company under the plans decided upon at the Newark meeting. It will be operated in conjunction with the Prudential Casualty & Surety but will retain its individual identity.

Specials Get Scythes as Drouth Continues

BECAUSE of exceptional drouth in many sections of the country, several companies have instructed their special agents to arrange for the cutting of weeds and tall grass in the vicinity of factories or other important risks. Practically all communities have suffered this year from sub-normal precipitation. Weeds and grass are parched and would burn like tinder if ignited.

If the special agent cannot induce property owners or the local government to remove the weeks where they seem to jeopardize heavy risks, some of the companies have indicated a willingness to shoulder the expense of the mowing.

John J. Derby Resigns

John J. Derby, secretary of the America Fore companies at their head office in charge of Middle Department underwriting, has resigned. He was formerly connected with the engineering department. Later he was New England special agent for the Fidelity-Phenix. He was recalled to the office as agency superintendent and later was promoted.

S. Lacy Dickerson

S. Lacy Dickerson, Bogalusa, La., local agent, has been appointed state manager of the National Union in Arkansas and Mississippi, with headquarters at Memphis, Tenn.

The **Manhattan Fire & Marine** of New York has been licensed in Nebraska.

Questions *and* Comment

Comments on Conditions

Recently a local agent made some comment on existing conditions which are of interest. He said: "Dwelling house insurance, contents and the dwelling itself, should primarily be covered against fire, tornado, hail, explosion, rental value, and owners', landlords' and tenants' insurance. The salesman on the firing line now has to sell each one of these coverages separately. Any other merchandiser would put all of these into one package, tie it up with a neat blue ribbon, sell it for considerably less than the separate total and make more money and serve the public better."

This agent, like many others of his class, sympathizes with the condition that confronts the insurance business as a whole. He deplores the fact that the leading business men of his town are violently antagonistic toward insurance. He says that in his many years of insurance endeavor he has advocated that the National Board extend its personnel to include agents, especially in the public relations committee, but there seems to be a disposition on the part of the company managements to restrict the activities of the National Board to such matters as seem sacred to company managers only. The differences between the agents and company managements widen every year. It is his thought that the baseball interests and the moving picture industry have been wonderfully benefited by employing men like Judge Landis and Will Hays. He wonders why the insurance men of the country can not see the advantage of such an action.

He continued, "The acquisition cost is as much or more of a problem to the agent as it is to the insurance company. While the business of the two elements is common, they never converge. Big businesses are today maintaining extremely expensive laboratories and make wonderful profits out of the expenditure but nothing is being done by the insurance men. The insurance business needs a careful analysis from experts not related to the insurance business. If a grocery store or an envelope manufacturer can increase profits by bringing into the picture outside talent, the insurance business can do the same thing.

Field Club to Hear "Ad" Plans

Members of the New York Suburban Field Club will meet Aug 4, for a discussion of public relations. The gathering, among a series of conferences taking place in different parts of the country under the auspices of the National Board, will be addressed by W. W. Ellis, representing the National Board, and by Wallace Rogers, of Gale and Pietsch, advertising agents of the National Board, both of whom will explain the public relations program and exhibit the various forms of advertising to be used in every daily paper in New York state during the coming year.

Company representatives traveling New Jersey will likewise be invited to attend the gathering, as will also interested company executives. Meetings of like character are being held in 31 states during the summer months, in order that all representatives of stock fire companies may be familiar with the public relations policy of the National Board in advance of the display advertising.

EDUCATIONAL SECTION

Character of Lessor, Lessee, Sublessee Important in Writing Leasehold Risks

A number of danger signals for underwriters of leasehold insurance are pointed out by C. D. Minor, superintendent special service department, New York, Liverpool & London & Globe. The contract, he says, can be written only for one year and certain moral hazards should be investigated before renewal.

It is important first to discover, according to Mr. Minor, whether the lessee, applying for the contract, actually has an insurable leasehold interest or excess rental value in the property. This interest, he says, may arise from an enhanced rental value or because the lessee has secured the premises on favorable terms.

"If it is due to an enhanced rental value," Mr. Minor declares, "it is well to look to the cause of the enhancement and determine whether it is real or theoretical. If the lessee has sub-leased the premises at a profit, there can be no question as to his insurable leasehold interest therein.

"However, where such interest exists, if leasehold insurance is to be written, the question of moral hazard must be considered."

Landlord Deprived of Interest

Underwriters should bear in mind that if the lessee has an insurable leasehold interest in the premises, the landlord is being deprived of a portion of the income which the property is capable of earning, according to Mr. Minor. The landlord would profit if he could cancel the lease and rent the premises at the enhanced rental. If the lease provides for optional termination of the agreement in the event of fire, Mr. Minor points out that fire might be welcomed and actually encouraged by the lessor. Therefore, the moral standing and character of lessor must be above reproach.

Mr. Minor adds that if the lessee has an insurable leasehold interest in the premises and can secure insurance to protect him against the loss of this interest through the termination of his lease by reason of fire, there is placed in his hands the means whereby he could collect, in a lump sum, the full value of his leasehold interest in the property. He would get in one sum what would otherwise accrue to him over a period of years. Therefore, Mr. Minor adds, the lessee under a leasehold insurance policy must also be of unquestionable character and standing.

It is also well to determine the character of the sub-lessee, Mr. Minor declares, because if he is a victim of a hard bargain he may be tempted to escape by means of fire.

Furthermore, the prospects of the insured's business should be investigated in underwriting leasehold insurance. For this form of coverage to be acceptable, the business of the lessee should be profitable with prospects of so continuing throughout the term for which the insurance is written.

Death of A. Y. Johnson

Absalom Y. Johnson, 75 years of age, retired fire insurance, man, former native of Louisville, died at Miami, Fla., on Monday, after being bed ridden for nearly 20 years.

Mr. Johnson became connected with the insurance firm of Barbee & Castleman, which at that time represented the Royal. When the Royal installed its southern department at Atlanta nearly 30 years ago Mr. Johnson transferred to Atlanta, where he remained with the organization, later going to Chicago before going to Miami, when his health failed.

Nevada has admitted the **Home Indemnity** of New York.

Dumont Spoke at Louisville

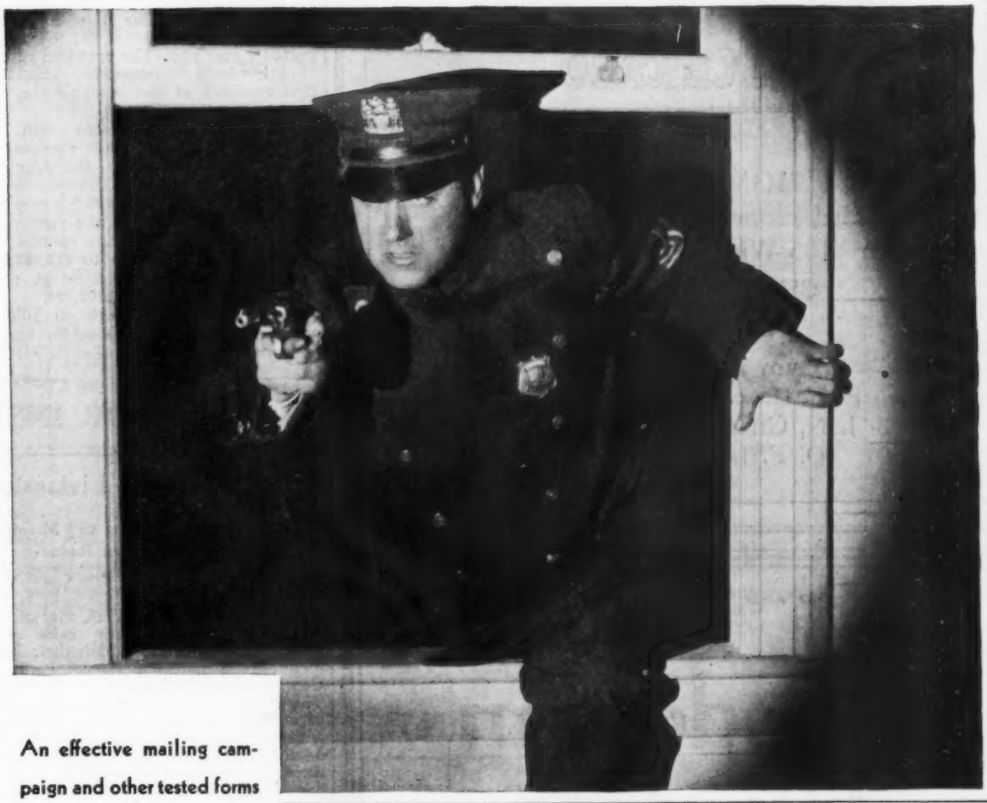
LOUISVILLE, July 23.—John R. Dumont, manager Interstate Underwriters Board, New York City, on a trip to Frankfort, came on to Louisville, and talked before the Louisville Board at a special meeting. He had previously been asked to speak before the Kentucky Fire Insurance Sales Congress in June, but was unable to attend because of the acquisition cost meeting in Chicago. Mr. Dumont explained the history of the organization he represents, why it was formed, how, its aims, ambitions and plan of operation showing that it was of great value to the agents and of real service in aiding agents in retaining their business of the multiple location type, and in meeting competitive conditions of the day.

J. C. Hood Is Dead

J. C. Hood, founder and head of the Jackson, Miss. agency of J. C. Hood & Co., died several days ago.

Frank E. Burke, vice-president of the Home, sailed for Germany Wednesday, to join his wife, who has been abroad for some weeks.

Will He Get There In Time?



An effective mailing campaign and other tested forms of direct advertising make it easier for F&D representatives to write a profitable volume of Residence Burglary, Theft, and Larceny Insurance.

FIDELITY and SURETY BONDS

BURGLARY and PLATE GLASS INSURANCE

The chances are that he won't, because burglars don't make a practice of announcing the time when they are going to rob a particular home.

In time or late--it makes little difference to the holder of a Residence Burglary, Theft and Larceny policy. Because he knows that even if burglars do get away with some of his valuables, his loss will be made good.

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

Baltimore

FIRE INSURANCE COMPANY
OF CHICAGO

HOME OFFICE
23rd Floor Bankers Building
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ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY
1805 - 1930

Caledonian Insurance Company

The Oldest Scottish Insurance Office

Caledonian-American Insurance Company of New York

ROBERT R. CLARK,
U. S. Manager and President

THE NETHERLANDS INSURANCE COMPANY OF THE HAGUE, HOLLAND

Est. 1845

ROBERT R. CLARK, *U. S. Manager*

EXECUTIVE OFFICES: HARTFORD, CONN.

NEWS OF THE COMPANIES

Semiannual Figures Shown

Some of the Principal Items in the July 1 Financial Statement of the Home

NEW YORK, July 23.—As a result of its operations during the first six months the Home of New York increased its net surplus by $470,840; the item on July 1 being $48,796,473. On the same date the total assets were $126,750,802, compared with $128,914,080 had on Jan. 1, and $105,011,638 in hand 12 months previous.

The present surplus to policyholders is $72,796,475, as against $51,168,840 reported a year ago. The premium reserve of $40,714,883 is somewhat less than that reported at the beginning of the year.

The companies affiliated with the Home likewise present their semi-annual figures. Of these offices, the Franklin, with a cash capital of $3,000,000, reports assets $23,358,923, gain $729,902 over the returns of Jan. 1, while the surplus to policyholders in the same period increased from $13,515,245 to $13,809,896. This was after the declaration of a stock dividend totaling $500,000.

The City of New York on July 1, possessed assets of $7,890,756, and a policyholders surplus of $3,838,724; the former item showing a decrease of $34,674, and the later a gain of $46,535 for the half-year period.

Interest in New Figures

Continental and Fidelity-Phenix Give Extracts from Their Semi-Annual Financial Statements

The America Fore companies have issued their semi-annual statements. The Continental shows assets $102,785,382 as compared with $104,666,985, Jan. 1. Its surplus is $42,508,619 compared with $44,273,170.

The Fidelity-Phenix shows assets $83,780,299 compared with $86,168,951, Jan. 1. Its net surplus is $35,197,659 compared with $37,460,925. The aggregate assets of the America Fore companies, July 1 were $238,215,557 and the net surplus $97,098,847 as compared with $100,271,840 at the beginning of the year.

Miscellaneous Company Notes

The Maryland has been licensed in Alabama.

The Manhattan Fire & Marine has been licensed in Nebraska.

The North Star of New York has been licensed in California with Robert B. Crofton of San Francisco as general agent. Mr. Crofton is Pacific Coast manager of the General Reinsurance.

MOTOR INSURANCE NEWS

Give Figures to Livingston

Submit Collision Data to Michigan Commission in Rate Reduction Dispute

The National Automobile Underwriters Association in a bulletin calls upon member companies to submit their automobile collision experience data to Commissioner Livingston of Michigan. The bulletin states that the committee of company executives which conferred with Commissioner Livingston recently on the automobile rate reductions instituted in Michigan by individual companies agreed that this information would be made available.

After the collision data has been submitted and reviewed by the Michigan department, the bulletin advises that another conference will be held with Commissioner Livingston in an attempt to relieve the "strained" relations between the commissioner, Michigan agents and stock companies.

The bulletin furthermore reports that Commissioner Livingston voiced no objection during the recent conference to the 25 percent reductions in automobile fire and theft rates which have been made effective in Michigan by many individual companies. The reduction in collision rates of 50 per cent is at issue.

Wars on Fake Auto Clubs

PITTSBURGH, July 23.—Renewing its war on fraudulent auto insurance clubs, the Pittsburgh Motor Club again is taking steps to prosecute all persons or organizations operating here in violation of law. Officers and salesmen of two concerns here were convicted recently on charges and evidence furnished by the motor club.

Declaring that motorists are being swindled out of thousands of dollars annually here and that the practice is becoming more prevalent as the summer season is starting, C. H. Roth, secretary of the club, has issued a warning to all motorists to beware of salesmen selling memberships in such insurance clubs on a two-year basis, promising so many advantages that they appear better than standard insurance.

Prepare for Sept. 1 Dead Line

New Auto Finance Forms then Become Effective—All Practices Must Be Reformed

Automobile departments are starting to prepare for the Sept. 1 dead line when all minor finance accounts of National Automobile Underwriters Association companies must be revised to conform with the rates and forms of the National association.

On that date the new form which provides for a 10 percent reduction in rates with a 25 percent commission for finance accounts becomes binding on member companies. This form was officially adopted after a series of polls on alternate finance propositions.

Conditions Set Forth

Automobile business on the books as of Feb. 26, 1930, may be permitted to run until expiration under the conditions on which it was written, but no certificates under open policies may be issued after Sept. 1, except in accordance with the rules of the association. Furthermore any policy which has no expiration date must be corrected by Sept. 1. Any policy which has an expiration date prior to Sept. 1, 1930, if renewed, must be brought under proper conditions.

Moreover all open policies of other character and policies covering other business written in violation of the present rules must be brought into line by Sept. 1.

Grant Special Permission

Permission to write special coverages for automobiles of vacationists between Aug. 1 and Oct. 31 in Virginia has been granted by the state corporation commission in an administrative order supplemental to the recent automobile fire and theft rate reductions. The commission has also granted permission for the writing of broad form of theft insurance during the same period.

As American world trade increases, our foreign facilities expand accordingly.

A. I. U. foreign insurance facilities, extending throughout practically the entire world, are in an unending stage of growth. As a movement to any remote country in which we have no representation becomes apparent, the A. I. U. moves to anticipate the trend.

Today, the world-wide facilities that have been organized into an efficiently operating unit, provides local brokers and agents with one of the most convenient services for the protection of American properties in the foreign field.

For your convenience in handling American foreign coverage locally, we place at your disposal our information services and complete facilities in the foreign field. On any question of foreign insurance we invite you to consult us without delay.

... AMERICAN ... INTERNATIONAL UNDERWRITERS CORPORATION

80 WILLIAM ST. NEW YORK

JOHN 5477

INSURANCE STOCK QUOTATIONS

By H. W. Cornelius & Co., 105 South La Salle St., Chicago, as of July 21

Stock	Par	Bid	Asked	Div. per Share
Aetna Cas. & S...	10	137	145	1.60
Aetna Fire	10	61	63	2.00
Aetna Life	10	83	86	1.20
Agricultural	25	115	125	4.00
Allemannia	50	190	...	12.50
American Alliance	10	28	33	1.60
Amer. Equitable..	5	18	21	1.20
American	5	19	21	1.00
Amer. Reserve...	10	48	52	4.00
Amer. Surety	25	113	118	6.00
Automobile	10	40	43	1.20
Balto. American..	5	17	19	.80
Bankers & Ship..	25	100	120	6.00
Boston	100	630	670	16.00
Brooklyn	5	19	21	1.20
Carolina	10	27	30	1.50
Central West. Cas.	50	45	54	2.00
City of N. Y.....	100	510	540	16.00
Constitu. Indem..	10	10	12	.50
Continental Cas..	10	35	37	1.60
Continental	10	56	58	2.40
Detroit Fid. & S..	50	26	32	4.00
Detroit Natl.	25	25	30	1.25
Federal, N. J. ...	10	63	68	2.00
Fidelity & Dep...	50	166	170	9.00
Fidelity-Phenix ..	10	66	68	2.60
Fire Association..	10	36½	38½	2.50
Fireman's Fund..	25	92	96	5.00
Firemen's	10	35	36½	2.20
Franklin	5	32	35	...
Glens Falls	10	52	55	1.60
Globe & Rutgers.	100	940	970	24.00
Great Am. Indem.	10	28	32	...
Great American..	10	30	32	1.60
Great Lakes	10	10	13	1.00
Halifax	10	23	25	1.00
Hanover	10	42	44	1.60
Harmonia	10	27	30	1.50
Hartford Fire ...	10	72	74	2.00
Htfd. St. Boiler..	10	60	64	1.60
Home, N. Y.	10	42	44	2.00
Home Fire Sec...	10	20	22	1.00
Homestead	10	20	22	1.00
Import. & Export.	25	52	58	4.00
Independ. Indem..	5	9	11	...
Independ. Fire...	5	7	9	...
Ins. Co. of N. A..	10	70	72	2.00
Knickerbocker ...	5	27	30	1.50
Lincoln, N. Y. ...	10	30	34	2.40
Mass. Bonding...	25	105	120	4.00
Merchants, Conn..	10	78	82	...
Merchants, Pfd...	100	110	...	7.00
Merch. & Mfrs. ..	5	17	19	1.00
Metropolitan, Ill..	10	8	11	1.00
National Cas.	10	20	22	1.20
National, Conn. ..	10	72	74	2.00
National Liberty..	5	11½	13	.50
National Union...	100	230	250	12.00
National Surety..	50	71	73	5.00
New Brunswick ..	10	27	30	1.50
New Century Cas.	50	75	...	6.00
New England ...	10	35	...	1.00
New Hampshire..	10	52	58	1.60
New Jersey	20	45	50	2.50
New York Fire...	5	17	20	1.20
Northern, N. Y...	25	90	100	4.00
North River	10	54	57	2.00
N. W. National...	25	105	120	*5.00
Occidental	10	22	24	...
Peoples National.	5	11	13	.50
Philadel. Natl. ...	10	17	22	1.20
Phoenix, Conn. ..	10	80	82	2.00
Preferred Acci. ..	20	57	62	3.00
Prov. Wash.	10	64	66	2.20
Reliance	10	15	16½	1.20
Republic	10	21	25	2.00
Rhode Island	10	28	33	1.20
Rochester-Amer..	10	47	50	1.00
Rossia	10	28	30	2.20
Security, Conn. ..	10	35	38	1.40
Springfield	25	137	142	4.50
St. Paul F. & M..	25	185	200	*5.00
Stuyvesant	25	45	50	2.00
Sun Life	100	2150	2250	25.00
Sylvania	10	18	21	1.50
Transportation ..	10	11	13	...
Travelers	100	1390	1420	24.00
U. S. Casualty ...	25	63	69	4.00
Victory	10	14½	16½	1.20
Westchester	10	56	58	2.50

*Extra dividend paid.

HITS IMPROVISED FLEETS IN OFFICIAL RULING

The insurance department of Georgia has called attention to a previous ruling forbidding the inclusion of personally owned cars of employes and others in fleet coverage sold to business concerns. The ruling declared that the practice is in violation of the discriminatory law. Commissioner Harrison now officially notifies companies that he is advised that the ruling is being ignored in some cases. He reiterates the former ruling and states that complaints of violations will be followed vigorously and proper penalties imposed.

Every **local agent** should subscribe for a personal copy of The National Underwriter.

Are YOU Selling Your Share *of* Laundry Insurance ?

Go-getters, these laundries! They have made wash day a thing of the past in a great many progressive families and are adding new customers every day.

But the best-regulated laundries have their difficulties; bundles stolen, valuable garments ruined by fire or explosion or sprinkler leakage; lost through burglary or hold-up or damaged in transit.

Even a moderate bundle has a replacement value of fifteen or twenty dollars; and think how many bundles the modern laundry receives into its custody.

If you haven't solicited the laundries in your community, DO IT NOW! McGee's liberal Laundry Bundle Insurance will prove the key to a lot of profitable new business. Write for an application form.

Laundry Bundle Insurance is just one of fifty or more Marine insurance policies offered by William H. McGee and Company through local agents. It will pay you to find out about them.

Send for Complete Booklet Describing All Coverages Offered

IF YOU DON'T KNOW WHERE TO PLACE IT

ask McGEE

MARINE—AVIATION—ALL RISKS

WM. H. McGEE & CO., Inc.

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Insurance Exchange Bldg.
175 W. Jackson Blvd. Chicago

HEAD OFFICE
McGee Building
11 S. William St., New York

SW&Co
A NATIONAL ORGANIZATION FOR CONSTRUCTIVE SERVICE

Methods for the reduction and control of
ACQUISITION AND OTHER COSTS
are outlined in the booklet
"BUDGETARY CONTROL FOR INSURANCE COMPANIES"
Copies will be sent to interested executives

Scovell, Wellington & Company
ACCOUNTANTS - ENGINEERS
10 EAST 40th STREET - NEW YORK CITY
BOSTON SPRINGFIELD CLEVELAND SYRACUSE CHICAGO KANSAS CITY PHILADELPHIA SAN FRANCISCO

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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GEORGE A. WATSON, Associate Editor
CHESTER C. NASH, JR., Associate Editor

DES MOINES OFFICE
716 Fleming Bldg., Tel. 4-8712
R. E. HEATH, Resident Manager

SAN FRANCISCO OFFICE
105 Montgomery Street, Room 907
Tel. Kearny 3054
FRANK W. BLAND, Resident Manager

SOUTHEASTERN OFFICE—ATLANTA, GA.
1517 First National Bank Building
R. J. McGEHEAN, Resident Manager

SOUTHWESTERN OFFICE—DALLAS, TEX.
515 Marvin Bldg., Tel. 2-6570
J. F. GRAHAM, Resident Manager

PHILADELPHIA OFFICE
412 Land Title Bldg., Tel. Rittenhouse 3654
W. J. SMYTH, Resident Manager

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Associated Business Papers

MEMBER AUDIT BUREAU OF CIRCULATIONS

National Publishers Association

Would Classify the Agents

VICE-PRESIDENT E. J. SCHOFIELD of the STANDARD ACCIDENT in his talk before the New England agents presented a program which in his opinion might solve, or at least assist in solving the acquisition cost program. Briefly he would have agents divided into three classes according to service rendered. He would have a basic commission merely covering the solicitation of the order and the actual production. Then there would be a second class that would render in part supervisory service, and a third class that would give full supervision. He would have the insurance department license agents in one of these classes and their compensation would be fixed accordingly.

These various contributions to this most important subject are illuminating and help to give a breadth of view. Some officials have deplored anything in the way of differential commissions for different classes of agents even when supervision is not involved. The difficulty seems to be that all agents are swung into the higher bracket class where they have any considerable volume of business. The compensation for supposed supervision has been greatly abused. Any producer that has business of some moment attracts bidders. The machinery of the state would be kept quite busy in making the proper classification and seeing to it that the agent kept within his proper niche.

Fundamentally in our opinion Mr. SCHOFIELD is correct at least in one point. There should be a basic commission for the mere production of the business, the taking of the order and putting it down on the counter without any further service. That should be the price paid, whether the application goes to a branch office, home office or general agent. The trouble is today that there are all sorts of prices being paid for just this one thing which involves little or no service. That is merely bidding for business.

Good Barometer of Business

THE LIFE INSURANCE SALES RESEARCH BUREAU of Hartford in reviewing life insurance production for the six months finds a gain of 3 percent. Therefore, it draws the conclusion that there is a gradual but definite return to normal conditions. While the upward swing has been much more held back than forecasts anticipated, the bureau managment feels there is no doubt but that the foundations are on more solid ground. The gain, it is found, was distributed rather throughout the entire country. The stock market condition, of course affected insurance production materially but the feeling is that people have found but few fortunes are created rapidly. For the 12 months ending June 30, the United States as a whole purchased 6 percent more life insurance than the 12 months period a year ago. These figures are most encouraging.

Casualty Special Agents' Cost

One of the casualty companies in figuring out salaries and traveling cost of special agents takes a man who will call on two agents a day. The average cost per call is $12.50 an agent. This company declares that in order to take care of this expense the special agent's visit should result either at that time or within a short period thereafter in development on an average of $100 in premiums on new business which the agent would not have felt able to write without his assistance. In other words, the agent would not have felt able to write without outside assistance. He should produce new business in odd lines of insurance which the agent possibly did not have the information enough to sell it himself. Companies are counting the cost in every particular these days.

PERSONAL SIDE OF BUSINESS

D. E. Monroe, vice-president American Central, with Mrs. Monroe was a recent visitor in Denver, where he conferred with the general agency of Standart & Main, representatives of his company. Mr. and Mrs. Monroe also visited Herbert Cobb Stebbins, a personal friend of the Monroes. Mr. Stebbins is president of the American Association of Insurance General Agents and is a member of the general agency of Cobb, Miller & Stebbins, Denver.

—

J. B. Levison, president of the Fireman's Fund group, who has been in the east for several weeks, has returned to his office. Charles R. Page, vice-president of the group, who has been in the east for the past two months, has also returned to San Francisco.

—

Although **E. Broox Randall** of the agency of E. Broox Randall & Sons, Hollywood, Cal., has been totally blind for a number of years, he and his two sons, Don and Horace, have built up a splendid business and are the owners of the Randall Motor Club, Inc., which they operate as a service club in connection with the large volume of automobile business which they write.

—

John H. Hoffman, veteran Hartford examiner in Chicago, is recuperating at Lakewood, N. J., from a slight stroke which he suffered recently. Mr. Hoffman's friends are informed that he is making a gratifying recovery.

—

H. A. Miller and **W. H. Riker** are assistant managers western department North America in Chicago, and when Mr. Miller is at home they occupy adjacent offices. Mr. Miller is now in Europe, so the two colleagues are exchanging "kidding" letters. Recently Mr. Riker dictated a letter to Mr. Miller in Venice in which he said, "Figuring the net line on the Doge's palace." Mr. Riker signed the letter without reading it. A few days ago in glancing over carbons of his mail he found that his stenographer had transcribed that passage, "Figuring the net line on the Dago Place."

—

A. J. Haltiwanger of Jackson, Miss., state agent of the Pacific Fire, has been appointed as a member of the Mississippi building commission. He is also a colonel on Governor Bilbo's staff.

—

Leslie L. Sanders, western automobile superintendent, National of Hartford, is a member of the July grand jury in Cook county, which invited Harry T. Brundidge, St. Louis "Star" reporter, to appear and tell his story of alleged alliances between certain Chicago newspaper men and the underworld.

—

C. H. Falloon, general manager of the Atlas of London, passed through Winnipeg, accompanied by Mrs. Falloon. C. E. Sanders, Canadian manager, met them on the Pacific Coast and J. N. McLeod, former branch manager at Winnipeg, met them at Banff, and all arrived in Winnipeg. Mr. and Mrs. Falloon are now on their way to London and the home office. Mr. Falloon made an extensive tour, establishing contact with Atlas representatives while here.

—

James M. Young, state agent of the Georgia Home for Virginia, West Virginia and North Carolina with Richmond headquarters, who suffered a stroke July 14 at the home of his sister, Mrs. Duncan Curry, in Staunton, continued in critical condition this week. Mr. Young has been with the Georgia Home for 30 years. He gained his first experience in the insurance business as a clerk in the Virginia rating office of the old Southeastern Tariff Association. Two brothers are also well known in the business. They are Hugh W. Young, formerly manager at Louisville for the Southern Adjustment Bureau, now an independent adjuster with headquarters there; and John P. Young, Kentucky state agent for the New York Underwriters.

—

M. H. H. Duvall of League, Duvall & Powell local agency, has been elected president of the Augusta chamber of commerce.

—

P. J. Payseur of Des Moines, state agent of the Phoenix of Hartford, won the championship of the West Okoboji Golf & Country Club at its annual tournament. There were 104 entries.

—

Vice-President **Montgomery Clark** of the Hanover is spending a few days at the western department in Chicago. He will be at Edgerton, Wis., Thursday to attend the gathering in honor of Henry Johnson, prominent local agent in that city.

—

Charles E. A. Muldaur of New York City, son of **George B. Muldaur,** general agent of the Underwriters Laboratories, has been elected captain of the Princeton University baseball team. He played center field and has made a good record. Mr. Muldaur is also on the Princeton football team, playing quarterback. He has made a splendid reputation in college athletics.

—

C. B. Wardle of Ionia, Mich., has represented the Home of New York for more than 50 years and has been presented with a gold service medal.

—

Henry F. Jerge, vice-president of Ryan & Cable, Buffalo agency, has sailed for an extensive European tour.

—

Will A. Jordan died recently at his home in Richmond following a stroke which he suffered several months ago. For many years he operated a local agency at Dixon Springs, Tenn. Nine years ago he came to Virginia as special farm agent for the Royal. When the farm department was closed three years ago he became Virginia and North Carolina special agent for the Hampton Roads Fire & Marine, resigning this post after being stricken. He was born in Carthage, Tenn., February 2, 1869. Three of his sons are in the insurance business. William A. Jordan, Jr., is Virginia special agent for the Royal group; Howard Y. Jordan is Georgia special agent for the same group, and Albert F. Jordan is examiner for the Virginia rating bureau.

—

Harry M. Coudrey, formerly a well known agent in St. Louis, Mo., and at one time representative in Congress, died at a hospital in Norfolk, Va. In recent years he has been residing in Washington, D. C. Born in Brunswick, Mo., 63 years ago, Mr. Coudrey moved to St. Louis when a boy and was educated in the St. Louis public schools.

—

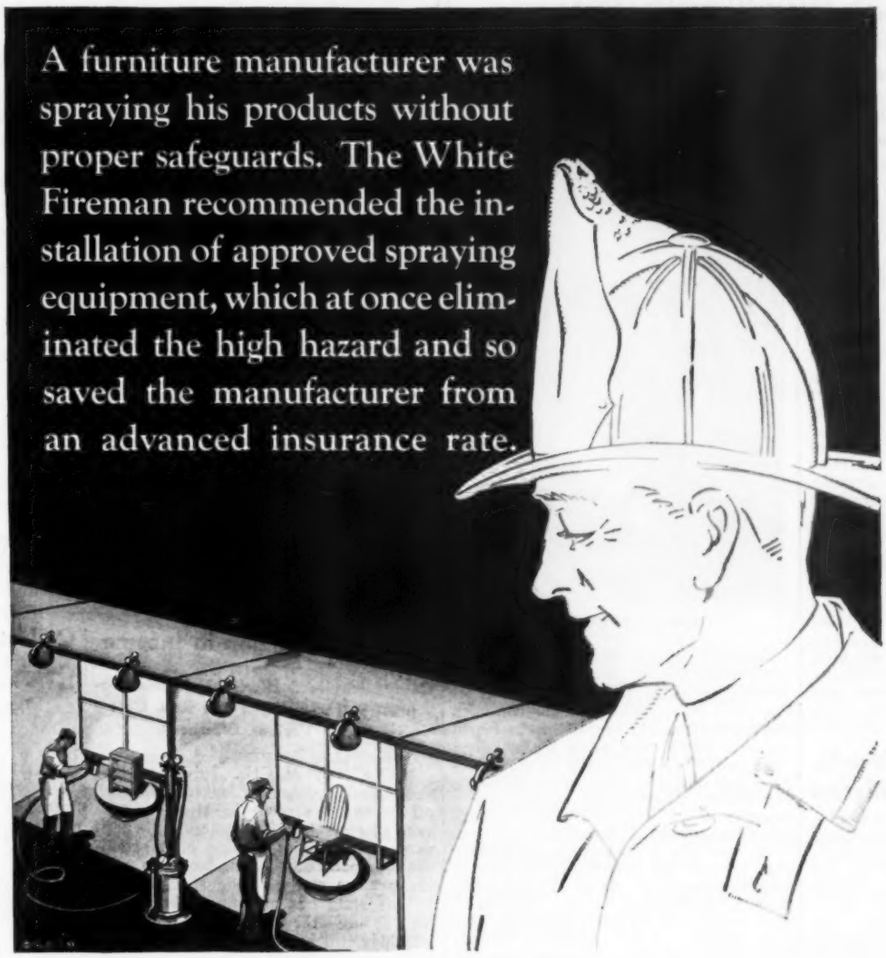
These lousy guys
With heaves 'n sighs
Who wouldn't scratch
If they had hives,
Invariably
Will say to me,
"Is it hot enough for you today?"

I sweat 'n toil!
I bake 'n broil!
I know each bead
Of sweat's a "poll,"
But every day
Some monkey'll say,
"Is it hot enough for you today?"

When daylight wends
And eve' begins
'N my candle's burnin'
At both ends,
I know that I'll
Hear someone cry,
"Was it hot enough for you today?"

When Gabriel brings
Me two white wings
I'll fly down where
The devil's king,
And while I fly
Around I'll sing,
"Is it hot enough for you today?"

—Phil Braniff, Tulsa, Okla.



THE WHITE FIREMAN *is used in this advertising to symbolize loss-prevention engineering service—a nation-wide service, supported by insurance companies, having for its purpose the reduction of loss-hazards. Its work comprises consultation on proposed structures, inspection of property, testing of materials and equipment, and many other kinds of technical assistance. This service may be secured through responsible insurance agents or brokers. Ask your North America Agent.*

North America Agents are listed in Bell Classified Telephone Directories under the heading "INSURANCE CO. OF NORTH AMERICA"

The

Insurance Company of North America

PHILADELPHIA

The Oldest American Fire and Marine Insurance Company—Founded 1792

and its affiliated companies write practically every form of insurance except life

NEW high-speed methods in manufacture frequently result in increased fire hazards. The White Fireman is alert to protect manufacturers from such added dangers, and consequently advanced insurance rates, by advising methods or equipment that will offset the newly-created hazards.

Above is shown, in reduced size, a color page advertisement appearing in The Saturday Evening Post, July 12; Literary Digest, July 12; The Business Week, July 9; Time, July 28.

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

C. A. L. Purmort President

Well Known Fire Company Executive Heads the General Mutual of Van Wert

C. A. L. Purmort has been elected president of the new General Mutual Life of Van Wert. L. G. Purmort is vice-president and treasurer; C. M. Purmort, vice-president and secretary; O. M. McGee, superintendent of agencies; James S. Kemper of Chicago, vice-president; F. W. Purmort, assistant secretary; Paul W. Purmort, assistant secretary; C. V. Hoke, general counsel; Robert Robbins, director of publicity. Many of these men are officers of the Central Manufacturers Mutual Fire, Ohio Millers Mutual Fire, and Ohio Underwriters Mutual Fire, all of Van Wert. Members of the Purmort family constitute the driving force behind these institutions. They have built up their fire insurance companies on a substantial basis and in starting the new life company they are taking advantage of the momentum achieved in the fire field.

In honor of the Purmort family a civic dinner will be held at Van Wert next Monday evening. H. A. Eggerss is general chairman of the committee. Judge C. S. Younger, Ohio insurance superintendent, will be present and speak.

Ohio Insurance Taxes Nearly Seven Billion for All Classes

Superintendent C. S. Younger of Ohio has certified to the state treasurer tax bills amounting to $6,776,242, against insurance companies transacting business in Ohio.

The amount of tax that will be paid by the different classes of companies will be as follows:

Ohio stock fire—fire marshal's tax of ½ percent	$ 7,403
Ohio stock fire and marine of other states	1,015,175
Foreign—fire and marine	188,584
Ohio mutual fire ½ percent	17,593
Mutual fire of other states	47,920
Miscellaneous casualty of other states	956,423
Mutual miscellaneous	20,729
Mutual and stock life insurance companies of other states	4,516,972
Reciprocals	5,639
Total	$6,776,242

The earnings of the insurance department in fees for services will amount to a little over $250,000 in addition to the above.

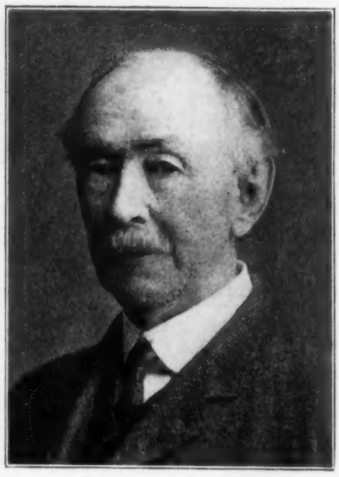
Code Committee Still Working

The report of the insurance committee of the Ohio State Bar Association on recodifying insurance laws of Ohio was not ready for presentation at the Cedar Point meeting. It may be ready for action at the January meeting of the association, after which it may be submitted to the 1931 Ohio legislature.

America Fore Moves

LOUISVILLE, KY., July 23.—The America Fore group has moved from the old quarters in the Starks building to fine new offices at Room 1100 Starks, a suite adjoining the Fidelity & Casualty. In the removal old unopened letters were discovered back of a drawer, bearing dates of Nov., 1921, which had been lost and never opened, one containing a financial statement of 1921 which strikingly emphasizes growth of the fleet. Policyholders' surplus was $19,047,272, as compared with $61,931,855 now, total assets $40,857,878, against $102,785,381 now, and unearned premium reserve $17,928,707, as compared with $27,622,294 now, Cad P. Thurman, state agent in Kentucky, says in commenting on the find.

Pioneer Is Dead



LEWIS J. BONAR

Lewis J. Bonar of Mansfield, O., in describing whom the word veteran seems inadequate, is dead at the age of 94. Until his death, Mr. Bonar had been continuously on the payroll of the North America since 1872 when he obtained "temporary" employment with that company. In addition to traveling Ohio for the North America, Mr. Bonar was a member of the firm of Bonar & Harding, local agents of Mansfield.

He was one of the original members and one of the last surviving of the original members of the Fire Underwriters Association of the Northwest and one of its first life members. He was founder of the Richland County Lincoln Association, a leading civic organization of his community. He was organizer of the Mansfield Humane Society 50 years ago. He was the oldest citizen of Mansfield.

Mr. Bonar was born in a log cabin near Lucerne, O., the son of a farmer-preacher. At the age of 18, Mr. Bonar became responsible for the support of his mother and her children, so he obtained employment as a clerk in a store at Bellville, O. Enlisting in the Union army he was later rejected because of under-weight.

In 1861 he married Miss Julia A. Jackson. One of their children, James G. Bonar, is a resident of Chicago. After the death of his first wife, Mr. Bonar married Miss Harriet Merrill Webb, who survives.

While recovering from injuries suffered in an accident in 1872, Mr. Bonar became affiliated with the North America as special agent. That marked the beginning of his insurance career.

Attending the Bonar funeral were W. S. Foster, assistant western manager North America; North America Ohio State Agent W. J. Gilsdorf, and Special Agents P. F. Baughmann and V. L. Montgomery; and Royal Special Agent Joseph Hershberger and J. W. DeCessna.

Columbus Society Meets

The Insurance Society of Columbus held its annual meeting last week. New trustees were elected as follows: E. D. Gardner, Fred Jaeger and Harry Mesloh. They with Mr. Kirkpatrick, C. A. Wikoff, Frank J. Maclin, Wesley J. Eilber, I. B. Lentz and Ralph W. Clark, compose the board and a meeting will be held soon to elect officers.

Confer on Licensing Agents

MORGANTOWN, W. VA., July 23.—Conferences are to be held within the next few days between William E. Glasscock, city solicitor, and representatives of the Morgantown Insurance Board in an effort to draft an ordinance for the licensing of insurance agents that will be more satisfactory than the proposed ordinance which council has unanimously tabled. The ordinance which council tabled would have required the payment of an annual license fee of $150 by agents representing companies not incorporated under the laws of West Virginia.

W. F. Hunter, speaking for fire and casualty insurance agents here, said the solicitors had no objection to being licensed by the city provided a reasonable fee is charged, but he was of the opinion that a uniform charge of $150 a year was excessive.

Progress Seen at Hamilton

The National Fire Protection Association reports that at Hamilton, O., progress is being made along fire prevention lines. Salvage work is being done by the fire department effectively. New construction is improving the safety of the congested district.

Ohio Notes

The North Baltimore Grain Company plant burned at North Baltimore, O., last week at a loss of $175,000.

The Jaeger Insurance Agency of Columbus has purchased the insurance agency of the late Charles M. Siebert, Jr.

Very little insurance is involved in the fire which swept through a part of Mason, Ohio, last week. It is said that insurance on one dwelling only is involved.

CENTRAL WESTERN STATES

Expect Reduction in Income

Companies Hard Hit by Industrial Depression in Michigan and Rate Cuts on Various Classes

LANSING, MICH., July 23.—Fire and casualty premiums will probably fall off 25 to 30 percent in Michigan this year as a result of the general industrial depression, in the opinion of a prominent company official who has been making a close study of the situation.

This state has admittedly been hard hit during the readjustment period which is still in progress and the result has been extremely damaging to insurance. Decreased inventories, deflated valuations and the actual inability of a portion of the populace to pay premiums have undoubtedly cut deeply into fire company revenues, while the casualty carriers have perhaps been victims of a general retrenchment policy to an even greater extent.

While the company offices are hives of activity, according to this Michigan executive, this activity does not reflect increased but decreased business. Hundreds of policies are being reduced, as property owners attempt to place their business on a basis commensurate with lowered realty valuations. This all necessitates added work, so that it is difficult for the company managements to reduce expenses.

Besides the effect of the financial stringency, rate reductions on several classes of fire business and the auto rate war in which companies affiliated with the National Automobile Underwriters Association have reduced premiums for competitive purposes in this field will help to reduce the net totals of company revenues.

While the situation as regards arson has been better than was to be expected under the circumstances, the companies have noted a general increase in dwelling fires, undoubtedly attributable in part to the need for cash among many small householders.

The Policyholders Securities Corporation, Gary, Ind., has been incorporated to act as agent for insurance companies. Directors are George A. Platt, Eli Rosen, Carol M. Rosen, Bolice F. Szymanski and Thaddeus Menszynski.

Collect $40,000 Back Taxes

Large Amount Still Due in Indiana from Many Companies Under General Fee Laws

INDIANAPOLIS, July 23.—Approximately $40,000 back taxes has been collected from fire companies through the Indiana state board of accounts. Most of the back tax is due from casualty companies which come under the general fee laws, according to an opinion of the attorney general. There is also some money due for loss deductions which it is alleged were allowed illegally, the law providing loss deductions only for companies with home offices in states which have a reciprocal agreement with Indiana.

When the investigation was started last June Commissioner Wysong said he had followed department policy not to force payment of the fire marshal's fee.

Examiners are investigating records of several companies, most of them being located in Ohio Illinois, Michigan, Connecticut and Missouri.

Tell About Advertising Plan

Indiana Field Men Listen to Vernor and Gale Explain Methods to the Personnel

Under the auspices of the Indiana State Fire Prevention Association, a meeting was held to hear R. E. Vernor, manager of the fire prevention department of the Western Actuarial Bureau, and A. L. Gale, of Gale & Pietsch, advertising agency of Chicago and New York, on the advertising program of the National Board which is being launched in newspapers. Mr. Vernor outlined the purposes of the advertising campaign as a builder of good will for the business of stock fire insurance and Mr. Gale gave details of the campaign and showed copies of the advertisements that will be used. In newspapers throughout Indiana these advertisements will begin to appear in August and such advertisements will continue to be published for the next three years.

Every field man and local agent will receive in advance copies of the adver-

LOYALTY GROUP

JANUARY 1, 1930 STATEMENTS

NEAL BASSETT, President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
JOHN KAY, Vice-President and Treasurer
ARCHIBALD KEMP, 2d Vice-President

FIREMEN'S INSURANCE COMPANY
OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
$60,811,870	$14,495,225	$18,777,000	$27,539,645	$46,316,645

NEAL BASSETT, Chairman of Board
HENRY M. GRATZ, President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
JOHN KAY, Vice-President
ARCHIBALD KEMP, 2d Vice-Pres't

THE GIRARD F. & M. INSURANCE CO.

$ 6,252,740	$ 3,401,657	$ 1,000,000	$ 1,851,083	$ 2,851,083

NEAL BASSETT, President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
JOHN KAY, Vice-President
ARCHIBALD KEMP, 2d Vice-Pres't

MECHANICS INSURANCE CO.

$ 5,078,813	$ 3,335,593	$ 600,000	$ 1,143,219	$ 1,743,219

NEAL BASSETT, President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
JOHN KAY, Vice-President
ARCHIBALD KEMP, 2d Vice-Pres't

NATIONAL - BEN FRANKLIN FIRE INS. CO.

$ 5,233,116	$ 3,070,630	$ 1,000,000	$ 1,162,486	$ 2,162,486

NEAL BASSETT, President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
JOHN KAY, Vice-President
ARCHIBALD KEMP, 2d Vice-Pres't

SUPERIOR FIRE INSURANCE CO.

$ 5,073,876	$ 3,061,200	$ 1,000,000	$ 1,012,676	$ 2,012,676

NEAL BASSETT, Chairman of Board
W. E. WOLLAEGER, President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
JOHN KAY, Vice-President
ARCHIBALD KEMP, 2d Vice-Pres't

CONCORDIA FIRE INSURANCE CO.

$ 5,564,987	$ 3,078,063	$ 1,000,000	$ 1,486,923	$ 2,486,923

CHARLES L. JACKMAN, President
JOHN KAY, Vice-President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
NEAL BASSETT, Vice-President
ARCHIBALD KEMP, 2d Vice-Pres't

CAPITAL FIRE INSURANCE CO.

$ 652,382	$ 13,200	$ 300,000	$ 339,182	$ 639,182

NEAL BASSETT, Chairman of Board
CHAS. H. YUNKER, President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President
JOHN KAY, Vice-President
ARCHIBALD KEMP, 2d Vice-Pres't

MILWAUKEE MECHANICS' INSURANCE CO.

$13,045,126	$ 7,886,590	$ 2,000,000	$ 3,158,536	$ 5,158,536

NEAL BASSETT, Chairman of Board
J. SCOFIELD ROWE, President
J. C. HEYER, Vice-President
EARL R. HUNT, Vice-President
WM. P. STANTON, Vice-President
S. WM. BURTON, Vice-President
S. K. McCLURE, Vice-President
JOHN KAY, Vice-President
A. H. HASSINGER, Vice-President
WELLS T. BASSETT, Vice-President

METROPOLITAN CASUALTY INSURANCE CO.

$14,945,383	$10,320,195	$ 1,500,000	$ 3,125,187	$ 4,625,187

NEAL BASSETT, Chairman of Board
C. W. FEIGENSPAN, President
E. C. FEIGENSPAN, Vice-President
A. H. HASSINGER, Vice-President
W. VAN WINKLE, Vice-President
JOHN KAY, Vice-President
WELLS T. BASSETT, Vice-President

COMMERCIAL CASUALTY INSURANCE CO.

$14,741,017	$ 9,712,813	$ 2,500,000	$ 2,528,203	$ 5,028,203

TOTAL OF ASSETS	TOTAL OF LIABILITIES	TOTAL NET PREMIUMS
$131,779,040*	$58,562,251	$49,400,938

WESTERN DEPARTMENT
844 Rush Street, Chicago, Ill.
H. A. CLARK, Manager
Ass't Managers
H. R. M. SMITH
JAMES SMITH FRED. W. SULLIVAN

EASTERN DEPARTMENT
10 Park Place
Newark, New Jersey

CANADIAN DEPARTMENT
461-467 Bay St., Toronto, Canada
MASSIE & RENWICK, Ltd., Managers

PACIFIC DEPARTMENT
San Francisco, California
60 Sansome Street
W. W. & E. G. POTTER, Managers
Ass't Managers
JOHN R. COONEY CHAS. H. GATCHEL

* Capital and Surplus of affiliated companies owned by Firemen's, appear in gross assets of both.

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

planting a new company.....

THE ADVANTAGE to a newly-organized company of being able to enter a state and their provide its agents at once with field management seasoned by many years of experience with and study of the underwriting problems of a single state cannot be over-estimated. In no other way can such a service be obtained at reasonable cost except from a general agency. The general agent sticks to one job year in and year out and looks for his future in the development of the business in his chosen field of operation. No direct writing company, supervising business from a distant point, can approach the continuity and seasoned development of underwriting in a particular field that the general agency offers.

"The general agent is always close at hand"

Well informed underwriters--intensive field development--prompt agency service

Index to American General Agency Service

ALABAMA

HURT & QUIN, INC.
Atlanta, Ga.

A. H. TURNER
Atlanta, Ga.

J. L. DAVIS, INC.
Birmingham, Ala.

ARKANSAS

L. B. LEIGH & CO.
Little Rock, Ark.

COATES & RAINES
Little Rock, Ark.

TREZEVANT & COCHRAN
Dallas, Tex.

T. E. BRANIFF COMPANY
Oklahoma City, Okla.

CALIFORNIA

EDWARD BROWN & SONS
San Francisco, California

COLORADO

STANDART & MAIN
Denver, Colo.

COBB, MILLER & STEBBINS
Denver, Colo.

REYNOLDS BROTHERS
Fremont, Neb.

FLORIDA

HUNTER, LYON, INC.
Miami, Fla.

HURT & QUIN, INC.
Atlanta, Ga.

A. H. TURNER
Atlanta, Ga.

GEORGIA

HURT & QUIN, INC.
Atlanta, Ga.

A. H. TURNER
Atlanta, Ga.

INDIANA

GEORGE L. RAMEY AGENCY
Indianapolis, Ind.

KANSAS

KANSAS UNDERWRITERS
Wichita, Kans.

MILLER-STUDEBAKER AGENCY
Topeka, Kans.

COBB, MILLER & STEBBINS
Denver, Colo.

T. E. BRANIFF COMPANY
Oklahoma City, Okla.

L. N. EWING, General Agent
Tulsa, Okla.

J. H. GOOD GENERAL AGENCY
Kansas City, Mo.

KENTUCKY

SNYDER BROTHERS GENERAL AGCY.
Louisville, Ky.

LOUISIANA

BLACK, ROGERS & CO., LTD.
New Orleans, La.

TREZEVANT & COCHRAN
Dallas, Tex.

A. H. TURNER
Atlanta, Ga.

STECKLER-WAGNER, INC.
New Orleans, La.

MICHIGAN

THE JAMES A. JONES AGENCY, INC.
Detroit, Mich.

MINNESOTA

E. M. ZUEL & CO.
Mankato, Minn.

R. M. NEELY CO.
St. Paul, Minn.

MISSISSIPPI

A. H. TURNER
Atlanta, Ga.

STECKLER-WAGNER, INC.
New Orleans, La.

J. L. DAVIS, INC.
Birmingham, Ala.

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tisements and a schedule of the papers in which they are to appear as well as suggestions on how to make good use of this publicity. Also agents will be furnished with tie-up copy that they may use in their local papers if they so desire.

A good attendance of field men and local agents heard the talks. W. J. Henshaw, vice-president of the association, presided.

Much Active Work Reported

Improvement Is Noted in Some Illinois Cities in the Way of Fire Prevention

The National Fire Protection Association engineers reports favorable activity at Alton, Ill. Improvements in the fire department and water supply are being carried out. A new building code has been adopted and inspection work started. A fire prevention code is being prepared. At Belleville a new building code is being gotten up. Additions to the fire department have been authorized. At Danville plans were laid for a year round educational campaign and more thorough fire department inspection. At Springfield, the fire prevention committee has been reorganized. Additional inspection work, revival of the drill school and an educational campaign are included in the plans of the fire prevention committee.

Fire Preventionists Will Meet in Detroit on July 28

The annual meeting of the Michigan Fire Prevention Association will be held July 28 in Detroit. Secretary-Treasurer J. J. Hubbell, state agent for the Security of Connecticut, has sent out letters to 325 local agents representing stock fire companies and field men covering the state for the same organizations, inviting them to attend the session. The fire compaign of the National Board will be discussed in detail.

The annual meeting was originally set for Port Huron at the time of the annual convention of the Michigan Fire Underwriters Association, but was postponed. D. B. Gamble, state agent for the Milwaukee Mechanics, is president.

Break Up Indiana Arson Ring

The arrest of Genesee Smith at Kokomo, Ind., is expected to break up an alleged arson ring in that section of the state, according to State Fire Marshal Hogston. John Ray, special investigator for the fire marshal, sat in on a conference where a conspiracy was hatched to burn a house. Two others are said to be involved.

Inadequate Water Works Disturbing

FLINT, MICH., July 23.—The hot, dry weather of the past week caused city officials some alarm as the Flint waterworks system is admittedly inadequate and unable to take care of demands on it at such times, creating not only discomfort for citizens but a serious fire hazard. The voters last spring refused to approve a $1,500,000 bond issue for improving the system and there is now a movement afoot among municipal authorities to provide additional facilities on a makeshift basis out of current revenues.

Instructing Indiana Departments

Individual instruction for small fire departments in Indiana has been started by the state fire marshal. C. S. Steup of Fort Wayne, who was in fire service there for years, has charge of the work. The Indiana Inspection Bureau is aiding in the work. The deputy will visit each of the smaller fire departments in the state for two or three days and give demonstrations in fighting fires and in modern methods of fire prevention.

STATES OF THE NORTHWEST

Report Is Made on Green Bay

National Board Engineers Tell About Elimination of Hazards, Improvement in Water Supply There

The National Board engineers in reporting on Green Bay, Wis., say the changes made since the 1929 report have materially increased in adequacy and reliability the water supply. Additional mains have been authorized, mostly 6-inch in outlying districts, as well as the replacement of existing cement lined 8-inch pipe on Cherry street. The city inspectors have been responsible for the condemnation and removal of a number of frame buildings and hazardous conditions in and about the principal mercantile district.

Over 1,500 Risks Inspected

Linnell Reports Activities of Minnesota Fire Prevention Association—Plan to Expand Educational Work

MINNEAPOLIS, July 23.—A total of 1,572 risks were inspected by members of the Minnesota State Fire Prevention Association in seven Minnesota cities during the past fiscal year, according to the annual report completed by T. G. Linnell, retiring secretary.

Inspections were conducted in Fergus Falls, Faribault, Austin, St. Cloud, Mankato, Crookston and Rochester. An average attendance of 30 field men was reported.

Of the risks inspected 78 per cent were found defective, the report shows, and 4,504 recommendations were made to remedy the defects.

The educational aspect of these inspections is shown by the fact that 56 addresses were made in schools on the subject of fire prevention. Over 19,000 students listened to these talks. In addition 23 public meetings were addressed by officials of the association.

The association maintains year-round contacts with chambers of commerce at Albert Lea, Faribault, Moorhead, Virginia and Hibbing.

Walter Belford, who succeeded Mr. Linnell as secretary on July 1, said that plans were under way for the expansion of the educational work of the association.

Wisconsin Fire Prevention Work

The National Fire Protection Association engineers say that a building code committee has been appointed at Eau Claire, Wis., by the Builders Exchange. At Wausau the engineers assisted in the organization of a fire prevention committee and a chamber of commerce.

"Bomb" Extinguisher Is Produced in Milwaukee

MILWAUKEE, WIS., July 23.—A fire extinguisher, made in the form of a hand grenade and designed so that it can be thrown into the flame, is to be manufactured by the Western Metal Specialty Company of Milwaukee, manufacturers of welded steel products. The extinguisher has been developed by O. R. Irwin, Milwaukee, formerly with the Foamite-Childs Corporation. The explosion of the extinguisher spreads the chemical.

STATES OF THE SOUTHWEST

Arrange for Regional Meets

Texas Association of Insurance Agents Will Hold Sectional Conferences Before National Convention

Officers of the Texas Association of Insurance Agents were instructed at the San Antonio convention to hold, if possible, a series of regional meetings in Texas. The state is divided into 12 regional districts, with a regional vice-president for each district, as follows: 1, B. B. Greever, Wichita Falls; 2, L. B. Shaver, Denton; 3. C. H. Roberts, Beaumont; D. Guy West, Hillsboro; 5, Marcus Phillips, Kingsville; 6, J. C. Echlin, El Paso; 7, George S. Williams, Amarillo; 8, G. K. Wines, Marshall; 9, Russell S. Trimble, San Angelo; 10, J. D. Seiders, Taylor; 11, E. T. Mompere, Abilene; 12, D. A. Clark, Sweetwater.

At a recent meeting of the directors of the Texas association it was decided that these regional meetings should be held prior to the annual meeting of the National association, which is to be held in Dallas Oct. 7-10. President Polk was authorized to make the necessary arrangements for the meetings.

President Polk appointed a committee from the regional vice-presidents to arrange for a schedule for these meetings. This committee is as follows: E. T. Compere, Abilene; B. B. Greever, Wichita Falls; L. B. Shaver, Denton, and Guy C. West, Hillsboro.

This committee met with President Polk and Secretary Foreman in Fort Worth and arranged for the holding of seven meetings, combining districts for the holding of two of the meetings. The tentative schedule as adopted is as follows:

Aug. 20, Sherman, District 2; Aug. 21, Amarillo, District 7; Aug. 27, Marshall, District 8; Sept. 9, Austin, Districts 4-10; Sept. 10, Beaumont, District 3; Sept. 11, Corpus Christi, Districts 1-6-9-11-12.

Reciprocal Denied License

OKLAHOMA CITY, July 23.—License for 1930 has been refused the Lumbermen's Reciprocal of Houston by the state insurance department and orders given it to discontinue operation in Oklahoma, according to A. L. Roark, secretary of the insurance board. Communication has been received from the Texas board that the company is insolvent and a deficit of $300,000 has been found.

New Lafayette General Agents

The Lafayette Fire has appointed W. H. Quirk & Company, Gibbs building, San Antonio, general agents for Texas. The Lafayette Fire was formerly supervised by L. H. Dakin, special agent of the North America.

Atlantic Fire's Arrangements

The Atlantic Fire of Raleigh, N. C., a member of the Phoenix of Hartford group, is entered in Oklahoma and Kansas, being looked after by Roy E. Eblen, president of the Central States Fire of Wichita, Kan. This brings the Atlantic Fire into the Western Underwriters Association.

May Penalize Dallas

DALLAS, July 23.—Dallas is threatened with a 5 percent penalty on fire insurance rates. The state board of commissioners announces that unless Dallas makes arrangements for training firemen in drills provided by fire tours, etc., the penalty will be slapped on. In addition, fire loss recently has been so heavy that it may be necessary to hike rates.

Less than a week ago Jack Thompson, Dallas fire marshal, announced that fire losses for the first half of July were alarmingly large—more than June's total loss—but in the last week loss of the Columbian club, the United Chemical Company's plant, three mercantile establishments and a large apartment house have added more than $300,000 additional loss.

Moore Goes to Dallas Agency

Wood Moore, assistant secretary National Standard Fire of Houston, Tex., who has been in charge of the automobile underwriting and supervisor of loss and claims department, has resigned to become associated with the Andrews-McDowell agency at Dallas, Tex.

Annual Fire Loss Reported

OKLAHOMA CITY, July 23 — Fire losses in Oklahoma City during the year ending June 30, totaled $743,808, an average loss of $293.97 by the 2,530 fires reported, according to the annual report of Chief George Goff. Of the loss, $395,882 was insured.

Gain in Oklahoma Revenues

OKLAHOMA CITY, July 23—Commissioner Jess G. Read has reported that revenues of the Oklahoma insurance department for 1930 will aggregate approximately $1,200,000, an increase of nearly $75,000 over 1929.

Trezevant & Cochran Party

Trezevant & Cochran, Dallas general agents, held their annual picnic attended by some 100 employes. Sam P. Cochran addressed the gathering. The annual golf tournament was held, the party being guests of E. L. Hurst. John C. Mann made a hole in one on his drive from the 17th tee.

Oklahoma Notes

E. W. Marshall, veteran insurance man of Waco, Tex., died last week. For many years he conducted the agency of E. W. Marshall & Co.

Fifty-five fires entailing a loss of $82,780, were reported to C. R. O'Neal, Oklahoma fire marshal, during June, eight of which were of suspicious origin. Losses in May totaled $78,729 and in June, 1929, $74,884.

New officers were in charge of the Oklahoma Blue Goose meeting in Oklahoma City Monday, with F. W. Newcomer, most loyal gander, presiding. The feature of the meeting was a discussion of roof construction.

Break Pumpage Record

Water pumpage records in Milwaukee were broken July 17 with 120,448,000 gallons, against the previous high mark of 119,711,000 gallons set Sept. 3, 1929.

Gets Big Beloit School Line

Reitan, Lerdahl & Co., mutual insurance agency at Madison, Wis., has been given a contract for $2,000,000 fire and tornado insurance on the public schools of Beloit, Wis. Fire insurance was increased from $640,700 to $1,005,050. Windstorm insurance on one school was increased $67,100 and another school, which never had carried windstorm protection, was written for $468,050.

Rewrite Des Moines Schools

DES MOINES, IA., July 23.—One-third of the fire insurance carried on school property here has been ordered rewritten for a three-year period. The amount to be rewritten is $1,163,400 and provides for payment of a premium totaling $12,681.06. The remainder of the insurance carried on school property expires during 1931 and 1932. Local agencies obtaining more than $40,000 of the new business, and the amounts, are as follows: G. A. Holland & Co., $100,000, Olmsted, Inc., $86,000; Ford-Petty, $55,000; A. J. Verran Co., $48,000; Wilcox, Hopkins & Mulock, $48,000.

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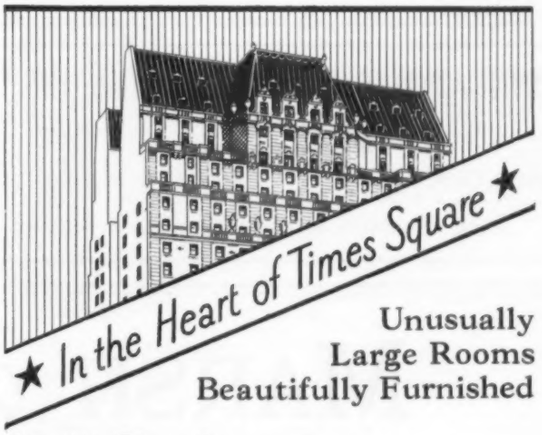

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IN THE SOUTHERN STATES

Frankfort Protection Is Bad

Manager Parker of Kentucky Acturial Bureau Criticises Equipment, Warns Against Holocaust

FRANKFORT, KY., July 23.—So limited is fire fighting equipment of this city, and so inadequate the equipment provided by the state, that G. H. Parker, head of the Kentucky Actuarial Bureau, is of the opinion that a severe loss of life and liberation of 2,500 prisoners might occur in a pentitentiary fire, he urged in a report of the bureau on the recent fire that swept the chair factory in the prison.

"It is obvious," the report states "that a town such as Frankfort, which, although of relatively small population contains (besides several manufacturing plants) the state capitol, a penitentiary, a feeble minded institute, a Negro industrial school and many scattered state buildings, should be provided with better protection than is afforded by two chemical and hose trucks, even if at the expense of the commonwealth itself."

Mr. Parker strongly recommended immediate steps to correct these conditions, and he offered the services of bureau engineers without cost, to this end.

"If the factory management or the prison officials had taken pains to see that each new addition to the chair factory had been properly sprinklered as soon as it was erected and that the premises were kept clear of combustible refuse," the report states, "it is reasonable to assume that the fire would have been extinguished at its origin. It certainly should not have gotten beyond control of the prison fire department. Instead, open sheds, the fan room, the dust house, two dry kilns and an open platform were all erected without sprinkler protection. Wood refuse had accumulated on and around these sections. When the fire originated, this entire area was in flames before any sprinklers were reached."

Deliberate Rate Adjustment

Louisiana Commission Finds Work of Examining Voluminous Data Is Difficult

NEW ORLEANS, July 23.—Decision on the new rate adjustment plan asked for by the Louisiana Rating & Fire Protection Bureau is not likely to be reached soon although fire companies expect favorable ruling. The Louisiana insurance commission finds that due to the great amount of material to be gone through with, some time will be required to compile necessary data. The plan has been under advisement for several months.

The adjustment would take care of heavy losses caused by unprofitable classes, such as frame dwellings, lumber, farm property and woodworking. The bureau's position is that the heavy losses on these classes are paid from income of all classes and this discriminates against classes which have not been continuously unprofitable.

Policy Not Voided

The North Carolina supreme court has held that a policy is not voided when the holder upon learning that notice of a sale of the insured's property for mortgage had been advertised immediately settled with the mortgagees and the advertisement of the sale was discontinued. The case was that of Landreth vs. American Equitable Assurance Company of New York.

Advertisement of the sale was started June 15, 1928, and the sale was to have taken place July 21, 1928. The property was destroyed by fire Aug. 24, 1928.

Distribute Kentucky Enactments

FRANKFORT, KY., July 23.—Insurance companies doing business in Kentucky have been sent copies of the recently enacted insurance laws in Kentucky from Commissioner Allen.

"The new act," he said in letter accompanying the copies, "does not permit the investment of the stocks or bonds of street railway and traction companies, which was legal under the old statute. I shall call your particular attention to the new limitation that no insurance company may invest in or loan on the stocks of corporation which shall not have yielded continuous and regular dividends equal to 5 percent for five years previous to said investment."

Firemen Carry on in City Garbage Truck

FRANKFORT, KY., July 23.—Quick thinking on the part of firemen in Catlettsburg, Ky., saved the day this week, when the rear axle of the city fire truck broke on the way to a fire. The fire-fighters jumped out, commandeered the city garbage wagon, threw their hose and equipment on board and carried on—somewhat odorously, but none the less efficiently. They arrived in time to put the fire out before much loss occurred, and so successful was operation of the emergency truck that they are continuing to use it while the axle on the regular truck is being repaired.

Finds Collections Big Problem

NEW ORLEANS, July 23.—The temporary depression in business has affected the insurance business rather badly, according to the reports of New Orleans agents. Business is expected to pick up with the advent of fall but at present everything is very dull and as yet there are no signs of improvement. According to Ralph Pons of the Godchaux & Mayer Company, the big problem right now is that of collections. Harry S. Kaufman of the Kaufman agency and James B. Ross of the New Orleans Underwriters agency voiced the same opinion. No plans for the improvement of this situation have been devised although companies are searching for a solution.

Storm Damage Is Large

BIRMINGHAM, ALA., July 23.—Considerable damage from a severe windstorm and electrical display was caused last week in Alabama, Georgia and Mississippi. Several persons were struck by lightning as well as more than a dozen residences, some of which then caught on fire. Plate glass windows in business houses of several towns were smashed. Considerable crop damage was also done by wind and hail.

Louisiana Oil Hazard Negligible

NEW ORLEANS, July 23.—"There is only a remote possibility of the situation arising in Louisiana that has arisen

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in Oklahoma in regard to the oil well increase producing a 25 percent increase in insurance rates," according to James B. Ross of the New Orleans Underwriters Agency. The increase was asked in Oklahoma because of the additional hazard caused by oil drilling in residential sections. While the oil production in Louisiana is increasing rapidly, it is building up in sections far from the residential sections of the cities and there will be no need to increase rates on this account in the near future.

Griffith in Richmond

Walton H. Griffith, manager of the automobile department of the America Fore companies, was a visitor in Richmond last week as the guest of Stuart Ragland, of the Tabb, Brockenbrough & Ragland agency. He was accompanied to Richmond by Sel. W. Hoag who was en route to Atlanta to assume charge of the inland marine department and side lines of the group there.

Announce Farm Forms

LOUISVILLE, KY., July 23.—Manager George H. Parker of the Kentucky Actuarial Bureau announces adoption of uniform farm forms, under instructions of the Western Actuarial Bureau, Chicago, dated July 16. The farm underwriters, it is said, recently adopted for mandatory use uniform farm property forms throughout the midwestern territory, and the bureau has recommended that hereafter all farm daily reports be checked as received through recording departments, and that the bureau insist upon the use of the mandatory forms. Copies can be had from the Uniform Printing & Supply Company, Chicago.

Douglass Montgomery President

MONTGOMERY, ALA., July 23.—Hartwell Douglass was elected president of the Montgomery Real Estate & Insurance Exchange at its annual meeting and outing last Saturday. P. M. Nicrosi was chosen vice-president and the following directors were elected: Maxie D. Pepperman, J. M. Harrison, Carl Wilson, Sylvain Baum and Arthur M. Mead.

Fleet Ruling ot Retroactive

MONTGOMERY, ALA., July 23.—Commissioner George H. Thigpen, declares that his recent ruling on automobile fleet coverage, revoking a ruling of April 2, 1928, which permitted any number of automobiles, regardless of ownership or business, to form a fleet, is not retroactive and that all contracts made prior to July 10, 1930, can be carried to their expiration.

Actuarial Bureau Changes

LOUISVILLE, KY., July 23.—J. R. Snyder, manager of the Owensboro, Ky., branch of the Kentucky Actuarial Bureau, has been transferred to the main office at Louisville, and H. S. McAfee, assistant manager at Paducah, Ky., has been transferred to Owensboro as manager. No new assistant has been named for Paducah.

Charlotte's Fire Loss Increases

The fire loss for Charlotte, N. C., during the first five months of 1930 amounted to $263,511. The annual loss in 1927 was $155,000; in 1928, $267,000, and in 1929, $308,000.

Kentucky Notes

Following the death of R. J. Sousley of the Talbott & Sousley agency, Ewing, Ky., Thomas H. Talbott has taken over the business, which he will operate under his own name.

A. I. (Bert) MacPherson, Kentucky state agent for the St. Paul Fire & Marine, has taken Mrs. MacPherson home from a local infirmary, where she spent a short time on account of illness.

Offices of the Kentucky Actuarial Bureau will be closed all day July 30 for the annual outing to be held at the Owl

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Cornette & Hatcher, Elizabethtown, Ky., have purchased the agency of Lee H. Harned. Mr. Cornette was formerly in the business at Hopkinsville, Ky., and later was solicitor for Lee Harned at Elizabethtown.

Southern Notes

Scott Nixon has purchased the insurance business of the Ridgely & Mays agency.

George F. Sauer of LaGrange, Ky., has purchased the insurance agency of R. P. Neal.

The fire loss in Savannah, Ga., for the first six months amounted to $23,643 as compared to $30,934 for the last six months in 1929.

The West & Smith Insurance Agency of Montgomery has been incorporated by T. M. West, T. M. Martin, J. Terry Smith and others.

The Cooper-Peterson agency has taken over the Trent agency of Cynthiana and will operate it in the future. The Trent Insurance Agency belonged to O. T. Trent, Cynthia banker, who has been elected cashier of the Citizens National Bank at Somerset.

Forced to Use Dynamite in Kentucky Town Fire

LOUISVILLE, KY., July 23.—Dynamite was resorted to in fighting a small town fire at Bedford, Ky., which caused about $42,000 loss with but little insurance. Lack of water made it impossible for neighboring towns to aid. Bedford has no fire equipment, and dynamite had to be used to check the spread. A newspaper office, Baptist church, restaurant and string of residences were destroyed, virtually a city block burning.

News of Pacific Coast States

Pacific Officers Consolidated

Reinsurance Corporation and Reinsurance Underwriters Merge, Succeeding Bentley—Heuer in Charge

SAN FRANCISCO, July 23.—Consolidation of the Pacific Coast offices of the Reinsurance Corporation of America with the Reinsurance Underwriters of San Francisco, general agents for the American Reserve and the General of Paris for reinsurance business, is being effected. G. A. R. Heuer, president of the general agency, has taken tentative charge of the San Francisco office and will continue until final readjustments are consummated.

The Reinsurance Underwriters will succeed L. V. Bentley, who has been general agent for the Reinsurance Corporation. Consolidation of the offices, it is reported, will make Mr. Heuer's organization one of the largest of its kind in the west.

Home of N. Y. Again Leads

Liverpool & London & Globe Comes Second in San Francisco Fire Premiums-Total Loss

SAN FRANCISCO, July 23.—The Home of New York and the Liverpool & London & Globe have maintained their lead in San Francisco fire premiums in first and second places respectively, for the first six months of 1930, according to the report of the Underwriters Fire Patrol. The Fireman's Fund which was in fourth place for the same period of 1929 moves into third place with the Continental, which was fifth last year, now in fourth. The United States Fire moves up from sixth to fifth place. The 15 leaders' figures for first six months of 1930 compared with same period 1929 follow:

	1930	1929
Home, N. Y.	$ 98,551	$110,611
L. & L. & G.	93,107	109,168
Fireman's Fund	84,381	93,218
Continental	82,244	76,507
United States	82,017	71,210
Aetna	81,927	106,316
North America	65,738	69,752
Firemen's	58,761	13,538
Royal	57,192	59,564
Fire Association	55,751	58,649
California	52,156	56,570
Hartford	47,718	63,656
North British	47,325	54,782
Pacific National	44,113	33,158
Globe & Rutgers	44,082	47,297

The greatest percentage of gain made by the leaders was that of the Firemen's of Newark, a non-board company, which shows an increase of more than $45,000, placing it in eighth place, while the National Union, also non-board in this territory, shows a loss of approximately $22,000. The Pacific National, now owned by the Bank of Italy interests, jumped from 33rd to 14th place with a gain of $11,000. Tentative total figures indicate a drop of approximately $340,000 in city premiums for the first six months of last year, but practically the same total as premiums written during the last six months of 1929.

California Pond Meets

J. Charles Harris, past most loyal grand gander, was the guest of honor at the first meeting of the California Blue Goose since the election of new officers. Committee chairmen were announced as follows: George A. Kingman, Aetna Fire, membership committee; J. Clark Buchanan, Automobile Club of Southern California, entertainment; Robert F. Atkins, John T. Beales general agency, initiatory; George A. Houghton, C. E. Toberman Company, music; Edward A. Morrison, Van Nor-

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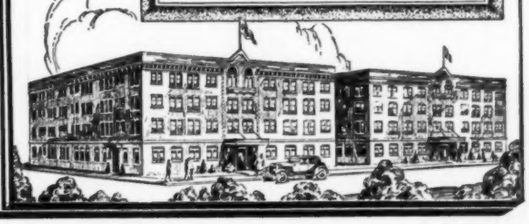

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Miller Heads Phoenix Group

PHOENIX, ARIZ., July 23.—The Phoenix Association of Insurance Agents named W. C. Miller president at a luncheon meeting last week. Mel Fickas was elected vice-president and Harry Lane, secretary-treasurer. The aim of the association is the promotion of a high standard of ethics among the agents, the formation of a state-wide organization and the bringing together of all those in the profession in Arizona for business and social purposes. Meetings will be held the first and third Wednesdays of each month.

Honor Anderson at Dinner

ALBUQUERQUE, N. M., July 23.—Clinton P. Anderson, general insurance broker of this city, was honored at a Rotary dinner on his election as director and third vice-president of Rotary International at its recent Chicago convention. Mr. Anderson is active in civic affairs, and is a director of the annual Indian pageant, "The First American," to be held here in August. Allen E. Bruce, agency manager Pacific Mutual Life, is president of Albuquerque Rotary, and arranged the dinner.

Name McCoy to Build Plant

Edward Brown & Son, San Francisco general agents, are busy appointing agents for the Cosmopolitan Fire of New York and the Bankers & Merchants of Jackson, Miss., companies which were recently added to their representation.

P. J. McCoy, who formerly conducted a general agency under his own name, has been appointed to specialize in developing the agency plant of the Cosmopolitan and the Bankers & Merchants.

Add Two Companies

DENVER, July 23.—Cobb, Miller & Stebbins, general agents, have added to their list of companies the Central Federal Fire and the Federal Surety. C. H. Ritter, who has been branch office manager for these companies here, will become associate manager of the casualty and surety department of Cobb, Miller & Stebbins.

Standart to Go Abroad

DENVER, July 23.—Frederick W. Standart of Standart & Main, general agents, and Mrs. Standart will sail Aug. 13 for a three months' tour of Austria, Germany, Switzerland, Italy, and England. They will spend considerable time visiting Baroness von Schroeder, of Hamburg, Germany, Mrs. Standart's niece.

General Agent Appointed

The Pacific Southwest Insurance Agency, Inc., of Los Angeles, has been appointed general agent for the Southwest Underwriters of the Chicago Fire & Marine and the Presidential Fire & Marine of Chicago. The arrangement does not conflict with the connection of the Earl F. Alderson Company's agency at Los Angeles with the Chicago Fire & Marine, nor of the connection of the Harris & Spear general agency at Los Angeles and San Francisco with the Presidential Fire & Marine. The new general agency arrangements were completed by Vice-president Frederick O'Brien, who was in Los Angeles.

C. T. Stewart Dies

Charles Thomas Stewart, Denver, state agent for the North America, died at his home last week. Mr. Stewart was 38 years old.

Takes Over Federated Agency

SEATTLE, July 23.—Absorbing the general agency of the Federated Company of Seattle, the insurance department of the National Discount Corporation has been appointed to succeed the former agency as Washington general agent for the Columbia of Dayton.

H. A. Schaub, Jr., president and manager of the Federated, joins the insurance department of the National Discount Corporation.

New Portland Reciprocal

PORTLAND, ORE., July 23.—The Northwestern Lumber Underwriters, a new Portland reciprocal, has been organized by F. P. Gram of the Gram Lumber Company, Fred Cutler, Roy Janin, Wm. Brushoff and B. W. Jones, general agent. The Associated Underwriters is attorney-in-fact for the new exchange, which proposes to write small unsprinklered saw mills of the better class.

Oregon Blue Goose Elects

PORTLAND, ORE., July 23.—The Oregon Blue Goose has elected Gus J. Roth, London Assurance, most loyal gander; Carl H. Sigglin, Pacific National Fire, supervisor; Walter R. Fritz, Fire Association, custodian; A. F. Holden, Springfield, guardian; Hansel Miller, Norwich Union, keeper; William White, wielder.

R. W. Bertolin, state agent for the Automobile of Hartford, with headquarters at Seattle, Wash., was in Butte, Mont., last week.

Eastern States Activities

Good Work in Massachusetts

National Fire Protection Association Engineers Report Much Progress in Some Cities

The National Fire Protection Association engineers have been active in Massachusetts. At Brockton a fire prevention bureau has been organized and a committee is starting a campaign to improve fire safety in the schools. At Framingham the fire prevention committee of the chamber of commerce is working for the elimination of excessive connection charges for sprinkler installation. At Gloucester, Mass., a special fire committee has been appointed to work with the department of public safety in a study of the requirements necessary for reducing the large fire losses. The city has already passed appropriations for extensive developments in the water supply system and a much needed new pumper.

At Leominster a special conference of the city council has been arranged to take up the recommendations of the civic fire committee appointed by former Mayor Doyle. It is expected that the city will accept the services of a drill school captain connected by the Dupont Discolide Works who was formerly with the Boston fire department. At Springfield three additional men have been detailed in the fire department for full time inspection work, making a total of five now functioning.

Security Changes Agents

The Security of New Haven has changed general agents for Boston and the metropolitan district from Rice & Whitney to DeWick & Flanders, Inc., The change was necessitated, according to the announcement, because of the acquisition of the Niagara by the America Fore. Rice & Whitney were representatives of the Niagara. The Security had been represented in that agency for more than a quarter of a century.

Desert Insurance Section

Deserting the old insurance district for the uptown section, Stokes, Packard, Haughton & Smith plan to move from their present headquarters on the ground floor of the Independence building to new offices on Walnut street, near 16th street, Philadelphia.

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The National Underwriter

July 24, 1930 CASUALTY AND SURETY SECTION Page Thirty-one

Bid for Bosses As Work Mounts

Number of Recent Executive Changes Is Unprecedented

PAY HIGH FOR LEADERS

Results of Indifferent Underwriting Are Now Being Realized in Casualty, Surety Business

NEW YORK, July 23.—Not in many years, if indeed ever within a like period, have so many important changes occurred in the executive and managerial staffs of casualty and surety companies of the country as have taken place within the past three months.

Some of the changes were the result of launching of new companies which required competent staffing, but in others the impelling cause was a recognition of the strain now developing in the conduct of the business and the imperative need for having in authority men competent to deal with the important problems; upon the proper solution of which, it is no exaggeration to state, largely rests the future of the interested companies.

The post war period was one of great expansion in practically all avenues of effort, and casualty and surety companies shared in the movement. Business was to be had in large volume and without particular effort. This condition induced entry into the field of a considerable number of casualty companies, some with substantial backing, and others with funds of modest proportions, their sponsors hopeful that as a result of business operations both capital and surplus funds would be increased in considerable measure and within a comparatively short time.

Executives Were Scarce

Rapid creation of new insurance institutions was out of all proportion to the managerial talent available, for the education of competent casualty and surety underwriters requires years of intensive training, with the result that the later entrants into the arena had to content themselves with third line men; those of first and second rank being already comfortably attached and unwilling to consider new ventures.

With the collapse of the security market last fall, and the general business depression that set in shortly thereafter and has since continued, casualty and surety companes began to feel the strain. Losses under the bankers' blanket bonds and fidelity covers developed in heavy volume, while bond defaults were numerous. Business written carelessly in the earlier days soon produced the result that might have been expected from indifferent underwriting, and with mounting loss ratios company executives finally appreciated the necessity of securing talent that would be able to lead their offices to a more secure footing. Hence the call of late for men of demonstrated capacity, and a willingness on the part of the companies to pay

(CONTINUED ON LAST PAGE)

Towner Bureau Increases Bank Fidelity Bond Rates

BOOSTS SCALE 50 PERCENT

Heavy Loss from Hypothecations Due to Stock Market Pressure Is Held Responsible

Unusually heavy loss in the last few months, largely chargeable to hypothecation caused by stress of the stock market, has resulted in a 50 percent increase on bank fidelity bonds by the Towner Rating Bureau of New York, applicable to the entire country.

This is on top of a heavy increase made early last year. Class A risks up until about April, 1929, carried a rate of 30 cents, which was increased to 40 cents at that time, and class C risks were increased from 50 cents to 80 cents. The new rate for class A risks is 60 cents and class C $1.20 per $100 a year. Both classes are now subject to a minimum earned premium of $5. The rates are now effective as to new business and renewals.

Classifications Affected

The increase affects all incorporated banks, but excludes savings banks. It also extends to private banking houses, investment bankers and risks of a similar classification, not including stock brokers. Class A consists of national, state and savings banks, trust companies, industrial banks, safe deposits and title companies having paid in capital of $25,000 or more, disregarding surplus and undivided profits. It also normally includes savings institutions, other than building and loan associations, having surplus and undivided profits of $25,000 or more in states where savings institutions are not required to have paid in capital. The increase, however, does not affect savings banks.

Heavy Loss Was Anticipated

When the market tumbled last October, surety men were confident that a heavy loss experience would occur on fidelity bonds. The peak of the losses, however, was not expected to be reached for six or eight months after the market crash, as embezzlers use considerable ingenuity in covering up their defalcations. Even in banks which keep a close check on employes and officers, losses sometimes have been concealed for a long time.

Source of Many Claims

Surety men say much of the heavy loss which caused the 50 percent bank fidelity increase resulted from hypothecation by junior, and even senior officers of banks, and also from others having access to funds who also were able to cover their tracks temporarily by false entries in the books.

This increase does not affect bankers blanket bonds but applies only to specific bonds. However, it is expected that it will not be very long before a boost in price of blanket bonds will be announced.

Day Fleet Acquires Stock of the Liberty of Dayton

CHICAGO GROUP EXPANDING

Latest Acquisition of Holding Company Swells Premiums Almost to $5,000,000 a Year

The Darby A. Day fleet of fire and casualty companies of Chicago was swelled this week by addition of the Liberty of Dayton, O., an automobile plate glass and general liability carrier.

This is the fourth acquisition this year. The deal was consummated by an outright stock purchase by the Darby Day Investment Corporation. For the time being the Liberty will continue to operate at Dayton as an independent unit.

Old Management Continued

The Liberty will continue under its present management until transfer of capital stock to the investment corporation, when the board will be reorganized and officers elected. The company Dec. 31 reported $1,326,438 admitted assets; $491,694 unearned premiums; $226,288 reserve for public liability losses; $76,224 reserve for unadjusted losses; $44,835 reserve for current bills and taxes, and $5,000 voluntary reserve, making total liabilities other than capital and surplus, $844,042; capital, $250,000, and net surplus, $232,387.

The company, incorporated in 1922, reinsured the entire business of the Liberty Mutual of Dayton. The company made $87,670 gross underwriting profit in the seven year period ended Dec. 31, 1929, or 2.1 percent of earned premiums. Its 1929 operations were successful, underwriting profit being 1.8 percent on the earned basis. It paid 12 percent dividends on par value of shares each year from 1924 to 1929, inclusive.

C. A. Funkhouser is board chairman; J. R. Jones is president, treasurer and general manager; George B. McCann, vice-president and secretary, and F. J. Ach and J. W. Millette, vice-presidents. The company's premium income in 1929 was $1,013,852, and earned premiums $985,995.

Another Deal Completed

Mr. Day also just recently completed the acquisition of the Automobile Underwriters of Dallas, of which he has been elected president. J. B. McCutchan, secretary-treasurer of the Chicago Fidelity & Casualty, was elected secretary and treasurer of the Dallas company, and G. W. Baillio was continued as vice-president. This company, it appears likely, will be made the nucleus of a group of carriers in the southwest with which Mr. Day now is negotiating.

The Automobile Underwriters Dec. 31 reported $1,005,720 admitted assets; $350,000 capital; $152,397 surplus, and $358,402 unearned premiums. Premium income in 1929 was $705,040.

The Darby Day fleet now consists of the Chicago Fidelity & Casualty, Continental Indemnity, Automobile Underwriters, and the Liberty. Combined premium income is between $4,000,000 and $5,000,000. Several other companies are considering joining the fleet.

Beha Answers Sharp Charges

Declares That Insurance Companies Favor Injured Workmen Constructively

DUTIES POINTED OUT

General Manager National Bureau of Casualty & Surety Underwriters Presents Candid Statement

NEW YORK, July 23.—James A. Beha, general manager National Bureau of Casualty & Surety Underwriters, made public a letter he had written to Vincent Astor making answer to published charges that persons injured in industry and entitled to workmen's compensation insurance were neglected and received incompetent treatment following their injury. These charges were voiced at a meeting of the city hospital representatives held under the auspices of the City Club of New York.

It was stated at that meeting that unscrupulous lawyers, incompetent doctors and insurance companies were the three chief factors responsible for the conditions described by hospital representatives and representatives of the Industrial Commission as deplorable. A special committee to study hospital compensation cases was appointed with Vincent Astor as chairman. On the committee are representatives of various city hospitals, welfare organizations and the state labor bureau.

Mr. Beha in his letter to Mr. Astor said:

Duties of Insurance Companies

"The workmen's compensation law is designed for the protection of the injured workman and by its provisions calls upon industry to bear the burden of the ills which arise from its activities. The duties imposed upon insurance companies as trustees of the funds contributed by the employers, are twofold. Our first and highest duty is to the workman, to see that each case is handled equitably and with absolute justice. Our second duty, although subordinate to the first, is also of great importance, that of so administering our trust that no undue burden be cast upon industry. Thus, we are charged with economic administration. Keeping these two things in mind, I wish to set forth the responsibilities and practices of reputable companies.

Want to Get Normal State

"First: The idea motivating our insurance organizations in the care of injured workmen is to bend our efforts to bring back as close to normal any workman who has suffered an injury. We are always seeking to secure such professional attention as will best make this possible. We do this for two reasons: first, we feel it our highest duty as trustees of the employes, the employ-

(CONTINUED ON NEXT PAGE)

M. D. Maggin Is New General Manager Lloyds Casualty

IS STILL VICE-PRESIDENT

Advanced from Position of Metropolitan Manager in Which He Demonstrated Strength

M. Daniel Maggin has been advanced from management of the metropolitan department of Lloyds Casualty to general manager. He retains the title of vice-president. Administration and supervision of the company's affairs in the home office will be in his charge.

Mr. Maggin has been in the service of Lloyds Casualty since reorganization of the old Lloyds Plate Glass. Under his administration the metropolitan department has experienced rapid development.

Mr. Maggin's Career

Mr. Maggin joined the old National Workmen's Compensation Service Bureau in the engineering and inspection department after receiving an engineering degree. From the Minneapolis office of the bureau he became manager of the casualty department of Dunning & Dunning of Duluth, general agents of the Aetna Life group.

The next connection was with the New Amsterdam Casualty as inspector, engineer, and underwriter in the metropolitan office. Later he became manager casualty department Greene & Goetschius, New York City general agents. Mr. Maggin was one of the first employes obtained for the New York Indemnity when it was organized by the National Surety. He was advanced to vice-president in 1926. He left the New York Indemnity to join Lloyds Casualty.

Beha Answers Sharp Charges

(CONT'D FROM PRECEDING PAGE)

ers and the general public to bring to a minimum the economic loss that a disabled or practically disabled workman is to himself and the community. Second, it is to the direct financial advantage of all that we, the trustees of the premiums contributed for the administration of the compensation law, see that the injured workman be speedily and skillfully treated and the resultant physical loss from an injury be as little as surgical and medical brains can secure.

Seek Best Type of Treatment

"Second: To carry out our first principle, we feel that we should at all times, seek out the best type of treatment for the injured man and 'incompetent doctors' have no place in our plans.

"Third: In order that the burden of industry in bearing the cost of the administration of the compensation law not be reasonable, it is mandatory upon our companies that each injured man be kept close track of, be afforded skillful medical and surgical treatment. In order to carry out this principle, we provide a constant check of injured men and where these men are in the hands of family physicians, make known to these family physicians that if and where necessary, we will assist and supplement the skill of the family physician with a specialist, and, at the same time, leave the case with the family physician. Neither niggardliness nor cheapness are of the slightest consequence to the insurance company.

"Fourth: In the interests of more skillful treatment and on account of the fact that many injured persons in New York City do not have family physicians, many companies have established excellent clinics where injured workmen are afforded the best care, treatment and advice as is obtainable anywhere. These clinics have been investigated by state bodies charged with the administration of the compensation law, and have been reported upon by these bodies most favorably. It is true that better treatment and better results are obtained by the workmen at these clinics than at some hospitals and the cost of such treatment is less than that incurred by some hospitals.

"At the company clinic the injured workmen can quickly voice complaints, either real or fancied, and these complaints are rigidly investigated with the result that incompetent, unskillful or unsympathetic clinic physicians could not last.

Methods Being Studied

"Our companies are continuously studying and revising methods of administrating the compensation law. In the National Bureau of Casualty & Surety Underwriters, there is a claim department, whose head directs many of these activities, and communicates to all Bureau members such new thoughts and practices as investigation shows will lead to better care and treatment of injured workmen, together with many other matters with which the companies are charged in properly administering the law.

"It would appear from a careful reading of the article that some hospital representatives feel that the amount they are receiving for treatment of injured men is not a fair and equitable amount. If the hospitals are run economically and also afford careful and competent treatment, and if they still are inadequately recompensed, this is a proper subject for study. The insurance companies, members of the National Bureau of Casualty and Surety Underwriters, do not desire that hospitals be discriminated against. If the service rendered is good and the charge is fair, we, who really are not spending our monies, but those of industry, and the public, are anxious to properly pay for such service provided, the workman, the state and industry fully understand the situation."

HOSPITAL INTERESTS REPLY

Addressing J. A. Beha, general manager, National Bureau of Casualty and Surety Underwriters, Howard S. Cullman of the private hospital committee on workmen's compensation, declares that Mr. Beha has misinterpreted the activities of the committee which has no intention "directly or indirectly to attack existing conditions as regards the insurance carriers' relationship to private institutions, but seeks to ameliorate present conditions that are seemingly unfair in the operation of workmen's compensation insurance." He further states that before any recommendations be made by the committee full data will be obtained and to that end a questionnaire will be sent all hospitals handling compensation cases. It is likewise the purpose of the committee to arrange conferences with managing underwriters and with representatives of the state department of labor, the county medical society and other agencies interested in the problem.

Need for Personal Injury Endorsement Is Shown

The need of the personal injury endorsement on policies covering all kinds of pleasure craft is graphically illustrated by the death of Miss Betty Ayres of Chicago on Lake Michigan, off the Edgewater Beach hotel. A party of young people had left the Wilmette harbor and the home of B. H. Marshall, the architect, to go to the Edgewater Beach hotel. They were in a Chris-craft sedan power boat and ran into the "Scarab," a yawl from Washington, D. C., owned by George Culver, which was in the Chicago waters for the Mackinac races. It was a 65-foot boat and is said not to have had any lights when the accident occurred. The Marshall boat ran head on into the yawl, throwing all the occupants out and in the melee Miss Ayres was drowned and others injured.

John J. Falvey & Co. of Chicago placed the insurance for Mr. Marshall. Mr. Falvey insists on his clients carrying full coverage insurance including the personal injury endorsement. The Federal of New Jersey had the insurance. Mr. Marshall is protected, therefore, against a claim on account of the death of the young woman and other guests injured. His daughter was driving the boat.

Seek Standard Clauses in Accident Contracts

NEW YORK, July 23.—The Bureau of Accident & Health Underwriters is undertaking a more active program. At its meeting in September it will take up the question of standard benefit clauses and standardized accident and health policies. Last May President W. C. Potter, of the Preferred, who was one of the charter members, called a meeting of the presidents of companies writing accident and health insurance and suggested that the time had arrived to consider uniformity in contracts. The meeting was well attended by the men qualified to speak authoritatively for their companies. The sentiment of most of the companies was in favor of some action. It was felt that the bureau was the proper organization to handle the subject and the whole matter has been referred to that body.

Variations in Policies

The chief trouble with the accident and health business is that there are so many variations in the policies and clauses of the various companies that many agents are lukewarm on the line because they say it is too much trouble to keep up with the changes and that competition is often of too petty a nature, revolving about the minor points of coverage. If the line could be standardized and sold like life insurance, it is felt, more agents would take hold of it and premiums would increase.

Taking an Interest

The larger companies and executives are commencing to take an interest in accident and health which has been pretty much neglected by the multiple line casualty companies and it seems likely that in the fall some action towards bettering conditions and building up the business will be taken. The Preferred Accident which has been out of the Bureau for some years, has again recently become a member.

Baltimore Club Makes Plans

BALTIMORE, July 23.—An elaborate program for the Casualty & Surety Club of Baltimore is planned by President Garner Denmead for the coming fall and winter. The opening event will be a fall field day in September to be followed by a dinner. Two entertainments are planned for January and March, and probably a dinner sometime in the season to be followed by a bridge tournament.

The monthly luncheons which have been a feature of the club's program in the past will be replaced by similar affairs to be held in October, December, February and April. At these luncheons, addresses will be made by the presidents of the New Amsterdam Casualty, the United States Fidelity & Guaranty, the Maryland Casualty and the Fidelity & Deposit.

Southern Surety's St. Louis Offices Are Reorganized

J. M. ADAMS NEW AGENCY HEAD

Newell H. Bretz, Formerly with Public Indemnity, Becomes the New Chief Underwriter

ST. LOUIS, July 23.—In the reorganization of the Southern Surety's St. Louis office, following transfer of the chief executive office to New York and following the resignation of a number of executives who joined other companies, Jennings M. Adams becomes head of the St. Louis agency department and Newell H. Bretz becomes chief underwriter.

Mr. Adams, who has succeeded E. S. Luther as head of the agency department Southern Surety in its St. Louis offices, is a product of the Southern Surety organization since he has spent his entire insurance career with the company.

Starting as a mail clerk in the Southwestern Surety office at Denison, Texas, in 1916, Mr. Adams has gradually worked his way upward to his present position. He has held several important posts in the casualty claim department. In July, 1918, he went to Des Moines, Ia., as a claim examiner. From 1924 to 1927 he was in charge of the Omaha claim department and in 1928 was claim manager at Philadelphia. He was brought to the home offices in St. Louis about 15 months ago and since that time has been in charge of special risks. While in Des Moines and Omaha, Mr. Adams studied law at night at Drake University and at the University of Omaha.

Mr. Bretz, new chief underwriter in St. Louis Southern Surety, is an experienced surety underwriter who should prove a valuable addition to the Southern's organization. In June, 1929, he was appointed assistant manager western department, Public Indemnity at Chicago and came from that company to the Southern Surety.

For several years prior to the World War Mr. Bretz was with the London Guarantee in both Chicago and New York, working in the compensation and liability departments. He was chief underwriter for the London when he left that company in January, 1929. He also served the Zurich as senior underwriter of its Chicago office.

Vice-President Smith Resigns

D. D. Smith, vice-president of the Southern Surety in St. Louis, has resigned to re-enter the agency field as vice-president of the George M. Sulliburg agency, Detroit. This agency represents the Southern Surety. Mr. Smith was with the agency prior to going with the Southern Surety.

Safety Deposit Boxes Now Well Insured

At the dedication ceremonies of the new home office building of the Continental Life of St. Louis at 3615 Olive street, President Ed Mays, who is also president of the Grand National Bank occupying the first floor of the new structure, stated that the contents of the safe deposit boxes in the new vault have been insured for $1,000,000. The bank did not carry insurance on the safety deposit boxes when robbers invaded the bank, May 25 and looted a number of boxes to the extent of $1,000,000 in cash, jewelry and securities.

Express Views on Big Problem

Philadelphia Men Comment on the Acquisition Cost Question

OPINIONS ARE GIVEN

Most Feel Law Should Not Be Invoked in Attempting to Regulate Compensation

PHILADELPHIA, July 23.—Philadelphia insurance men, both in agencies, in branch offices and home offices, are generally opposed to any limitation of acquisition costs by law or by ruling, although most of them expressed satisfaction with the accomplishments of the recent conference in Chicago. All of them believe that a careful survey of what they term "this very delicate and unusual situation" should be made before any attempt is made to fix a standard cost limit on acquisitions.

Wants Cost Segregated

One of the best known executives expressed the view that some relief might be found for both companies and agencies if acquisition costs could be segregated as to what was paid local agents in the form of commissions, and what was paid out in other ways to acquire business.

This man said while there has been no change in commissions to local agents in 15 years, the expense ratio of companies seeking new business has increased six or eight points, from about 36.37 percent to about 48 percent.

Branch Office Practice

An item of the expense paid in acquisition outside of agents' commissions, another agent said, was the cost of doing business over local counter through the medium of branch offices. These branch offices constituted, he said, a very high percent of the acquisition costs to companies maintaining them and they necessarily decreased the business obtained through local agencies, at the less expensive commission paid them. At the same time, he pointed out, the business taken from the agent by the branch office also decreased his earnings, in many cases causing him to lessen his office and field force and thereby reduced the gross amount of business he had previously been turning over to the company.

Would Eliminate Part Timers

An agency executive said he believed the average agent would favor any kind of enforceable rules that would decrease acquisition costs, and would abide by these rules provided the same rules called for the elimination of the part time agent whose only interest in the business was the commissions they could grab, and who were, therefore, lowering the general standard of insurance.

Vice-President Cook's Views

E. W. Cook, vice-president and general manager of the Commonwealth Casualty, said he had been greatly interested in the Chicago conference and believed it had been helpful toward the solution of the acquisition cost problem.

"The clear cut arguments advanced at Chicago can not but be helpful in the long run," Mr. Cook said. "I am sure the commissioners went home impressed by what they had heard and I know the insurance men there must have been helped by their contacts."

Continuing, Mr. Cook said he did not believe the acquisition costs could be fixed by law. Such rulings as had been made in the one or two states which have attempted arbitrary fixing of what companies shall pay for their business have not generally been successful, he said.

"If acquisition costs could be fixed by law and if some way could be found to make everyone obey that law, all would be well," Mr. Cook said, "but there will always be some who will find a subterfuge by which they will be able to evade it."

Hoover Is Asked to Call Special Session

PRESIDENT HOOVER has been asked by Prof. John Dewey, head of the Peoples' Lobby, to call a special session of congress for the purpose of appropriating money "for subvention of state unemployment insurance." Professor Dewey urges that such a measure will prevent want and suffering next winter which otherwise inevitably must follow in view of the large amount of unemployment in this country.

How Burglars May Be Put to Work for You

A Charlotte, Va., agent prepares a list of prospects for burglary insurance, from among whom 90 percent of the interviews produce sales.

Through arrangement with the Charlotte newspapers he receives all of the daily editions at 5 cents a copy. From these he tabulates all robberies and burglaries reported. Thereupon he calls systematically upon victims of robberies and burglaries and their neighbors.

The thug gives the sales talk, the agent takes the application.

Wisconsin Labor Federation Asks Unemployment Cover

LA CROSSE, WIS., July 24.—Wisconsin state federation of labor at its annual meeting here demanded unemployment insurance as an alternative to "additional legislation seeking to afford all an opportunity to work." The demand is embodied in report of the general executive board. Claim is made that at times unemployment has been as high as 28 percent for all union labor groups, and that a 40 to 60 percent unemployment roll is shown by some industrial groups.

Zimmerman Elected President of New Cost Conference

LOS ANGELES, July 23.—At the second meeting of the recently formed Southern California Surety Acquisition Cost Conference the following officers were elected: President A. I. Zimmerman, manager for the American Surety; vice-president, F. S. Schmalle, manager for the Southern Surety; secretary-treasurer, H. S. Vreeland, surety manager for the Associated Indemnity at Los Angeles. The executive committee is composed of D. W. Porter, Metropolitan Casualty at Los Angeles; W. M. Walker, Fidelity & Deposit; J. E. McInerny, Pacific Indemnity, and C. S. Brown, Eureka Casualty. The next meeting will be devoted to discussion of rules for the conference which are now being prepared by the executive committee for consideration.

Made Superintendent

G. E. MORRISSEY

NEWARK, N. J., July 23.—G. E. Morrissey is now superintendent of agencies of the Bankers Indemnity, having been so appointed by President H. P. Jackson. Well known to the fraternity as the former agency superintendent of the Norwich Union Indemnity, Mr. Morrissey already enjoyed a reputation as a salesman prior to engaging in the casualty line, having traveled extensively in both North and South America and in Europe in connection with the export business. He was identified with a banking and investment house. He is a graduate of Leland Stanford.

Organized Labor to Draft Unemployment Cover Bill

Organized labor is planning to draft a model unemployment insurance bill which will be agitated throughout the nation in various state legislatures. A committee of economists, actuaries and publicists will prepare the measure, it is announced by Louis F. Budenz, who is in charge of the unemployment campaign of the Conference for Progressive Labor Action. Mr. Budenz says reports from Ohio, Michigan and other midwestern states indicate that the demand is growing rapidly and many labor bodies such as the Pennsylvania federation have declared for such legislation. He states the intention is not to exclude other forms of unemployment relief but the basic plan is unemployment insurance in conjunction with strong public employment service.

Pays Big Loss Quickly

BIRMINGHAM, ALA., July 23.—The American Surety through its agent, Jemison-Seibels, broke its speed record July 15 for paying a loss. At 7:30 a. m., the Woodlawn National Bank of Birmingham was held up and robbed of $24,744. At 8:45 the loss was reported to Jemison-Seibels and at 9:45, or two hours and 15 minutes after the robbery, the claim was paid. The bank had just increased its burglary insurance from $25,000 to $100,000.

Crewe, Goodwin Join Hord

Rexford Crewe, office manager, and Richard V. Goodwin, chief underwriter, New York office of the Standard Accident, have resigned to become associated with Eugene F. Hord in the service of the Fireman's Fund Indemnity. Formerly vice-president New York office of the Standard Accident, Mr. Ford has been elected executive vice-president Fireman's Fund Indemnity for the territory east of the Rocky Mountains. Both Mr. Crewe and Mr. Goodwin have been associated with Mr. Hord since he was resident vice-president in charge of the New York office of the Maryland Casualty.

Aviation Lines Causing Study

Numerous and Heavy Losses Make Company Officials Apprehensive

MORE STABILITY NEEDED

Move May Be Made for Uniformity and Standardization in This Department

NEW YORK, July 23.—Officials of companies writing aviation insurance feel that the time has arrived when some concerted action should be taken to curb competitive practices and to get the underwriting of the aviation risks on a basis of stability and uniformity. At the present time the situation is decidedly disturbing. Losses have been heavy especially the fire and crash end of the business. In addition liability claims have been increasing.

Fire Catastrophe Hazard

The crash losses have been numerous and regardless of deductible provisions and safeguards of all kinds the claims have fallen heavily on the underwriters. There have been losses in all sections. Perhaps the heaviest loss has come from the fire catastrophe hazard which was unseen as far back as a year ago. Since then immense areas have been converted into hangars where dozens of planes are stored closely together. The recent fire in the Municipal Airport at Chicago brings out the tremendous danger in this direction. The loss in Chicago was placed at $1,500,000. Many of the airplanes are expensive and run into big money. Regardless of the character of pilots this congestion of planes is a hazard that must be reckoned with.

Reinsurance People Disturbed

Evidently the reinsurance companies are getting very squeamish on contracts covering airplane insurance of any kind. Some have cancelled their contracts outright, others have reduced their limits and some are letting their present commitments expire and taking on no new business. In fact it is difficult today to get satisfactory reinsurance. The syndicates writing automobile insurance can handle fairly large lines because of their pool arrangement.

No Standard Rates or Practices

At the present time there are no standard rates or practices. Every syndicate or fleet writing this class follows its own judgment. There is no uniformity. Brokers and agents have been playing one office against another in the effort to get a lower rate. This has resulted in risks being written below what they should have been. Underwriters have not had the backbone to turn down business.

Welton Takes New Post

Spencer Welton, recently resigned as vice-president of the Union Indemnity, has associated with the Massachusetts Bonding of Boston, as a vice-president. He will have charge of business production, assuming his new duties. Aug. 4.

Discuss Joint Problems

A. D. Kelly, superintendent of agents, Fidelity & Casualty, spent a few days in Chicago conferring with F. D. Hougham, secretary America Fore, on some of the joint fire and casualty interests of the American Fore. Mr. Hougham had completed visits with branch managers in Louisville, Indianapolis, Cleveland, Detroit, Des Moines, Minneapolis and Milwaukee before the conference.

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Motorists from coast to coast are looking for an automobile policy of high quality, complete protection and low cost such as that offered by the Belt companies.

Our agents from coast to coast are daily reporting greatly increased incomes by supplying automobile owners with the unusual Belt automobile insurance service.

Agents who become connected with the Belt organization can also increase their income by representing these sound companies, specializing in automobile insurance. It pays to represent a specialized company.

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All Lines but Stressing Excess Fire Reinsurance General Classifications

EDUCATIONAL SECTION

Cost Should Be Secondary to Protection in Selling Fidelity Bonds, Walsh Says

E. J. Walsh, Canadian general manager New York Indemnity, is author of a treatise on "Selling Fidelity Bonds," in which he points out the evils of placing inadequate amounts of this coverage. Cost, he says, is secondary to protection.

"The agent that talks rates before coverage is inviting trouble," Mr. Walsh says. "A man either needs the protection or he does not, and if he needs it the cost is secondary. The first and most important consideration is the coverage he is buying; there is not one prospect in a hundred that concerns himself first with the amount of money to spend to buy a certain piece of insurance. A business man does not set apart a small sum of money with which to purchase insurance; his paramount concern is the protection he is going to get."

Emphasizes Importance of Including All Employes

Mr. Walsh emphasizes the importance of inducing the employer to include all employes under the fidelity schedule. The cashier is not the only potential embezzler in a company. Illustrating this statement, Mr. Walsh related his experience in selling a schedule bond to a wholesale woolen merchant. When Mr. Walsh urged that two elevator operators be included in the schedules, the merchant scoffed, but three months later one of the operators was arrested for stealing pieces of woolens which he had been in the habit of taking after the rest of the employes had left the plant. He wrapped them around his body and walked out without being detected.

Even though the possibility of theft by other employes is small, the moral effect of the bond is worth many times the premium, Mr. Walsh states. "The fidelity bond acts as a great deterrent; a man is less likely to steal if he knows he will have to reckon with the bonding company. Therefore, when starting out to sell bonds, try and bring in as many of the employes as it is possible under the bond, using if necessary, the argument that the moral effect of the bond on the employes is worth the premium.

"A comparison of fidelity bonds is essential before a proper canvass and sale. Fidelity bonds differ in so many essential points that it is well to know beforehand what you propose to sell to prospects. For example: some forms are limited in coverage to larceny and embezzlement, while in other forms the coverage is very much broader.

"There is, too, the question of the period in which claims can be discovered. Some bonds give twelve months, some bonds give eighteen months and other bonds grant a longer period.

"Another important point in the bond is the question of salvage. One bond may provide that the salvage recovered after a loss shall be divided between the assured and the company. Another bond may provide that the surety shall have first call on the salvage until its loss is liquidated, while another form will provide that the salvage shall first go to the assured to wipe out his loss if it exceeds the amount of the bond."

Merger Deal Wins Approval

Georgia Casualty and Hudson Casualty Consolidation With Public Indemnity Is Officially Ratified

The New Jersey insurance department has ratified the consolidation of the Georgia Casualty and Hudson Casualty with the Public Indemnity. The Public Indemnity has changed the par value of its shares from $5 to $2.50 and increased the authorized capital from $500,000, consisting of 100,000 $5 shares to $1,000,000 consisting of $400,000 $2.50 shares. The auditors are now at work to fix the net value for each company. When the stockholders surrender their full stock certificates they will receive one $2.50 share of the Public Indemnity for each $12.50 equity they had in the net value of the old company in which they held stock. When the paid up capital of the Public Indemnity will be $1,000,000, its assets will be about $8,000,000 and its net surplus $3,000,000. The combined premium income of the three companies last year was $4,500,000.

Long Died Suddenly

George H. Long, manager of the casualty department of the Hare & Chase agency of Philadelphia, died suddenly Monday. He had been connected with the business for many years. His father, William Penn Long, was at one time special agent in the middle department for the Hamburg Bremen.

Hord Establishes Quarters

Eugene F. Hord, who was recently elected executive vice-president of the Fireman's Fund Indemnity, has opened his office in the Fireman's Fund building, 72 Beaver street, New York City.

The **Atlas Casualty** has been licensed in Nebraska.

Federal Surety in Increase

President Taylor Presents Figures to Show the Progress That Is Being Made

President W. L. Taylor of the Federal Surety states that the assets on July 1 were $4,238,692 as compared with $3,952,258 at the end of the year. During the six months the gross premiums amounted to $2,103,681, net premiums being $1,864,385 or an increase of 85 percent over the same period a year ago. This increase in volume enabled the Federal Surety to reduce its management expense, other than commissions, more than 10 points for the same period a year ago and 7.67 percent less than the expense for the whole year. The net paid losses and loss expense for the six months was $768,288 or 41.05 percent of the net premiums.

KENTUCKY COURT DIVIDED ON QUESTION OF NOTICE

FRANKFORT, July 23.—The question of immediate notice of accident under an automobile liability policy has divided the Kentucky court of appeals in the case of Hayburn vs. Southern Surety. Hayburn with his car struck a young woman on a Louisville street, and knocked her 15 feet along the highway. However, she said she was unhurt, declined all assistance and refused to give her name. Several months later she brought suit and Heyburn gave notice to the company. The majority of the court holds that the question of whether the notice given was within reasonable time was a question for the jury and should have been submitted to it. Chief Justice Thomas and Judge Dietzman in a dissenting opinion hold that a peremptory instruction in favor of the Southern Surety, in Heyburn's suit against it, should have been given.

CHANGES IN CASUALTY FIELD

Team Mates Now Room Mates

Commercial Casualty, Metropolitan now Share Same Quarters in Chicago, St. Louis, Milwaukee

For the announced purpose of promoting economies, increasing efficiency and broadening facilities, branch offices of the Commercial Casualty and Metropolitan Casualty are now quartered in the same offices in Chicago, St. Louis and Milwaukee. The Milwaukee and St. Louis offices have each been put in charge of a joint manager.

Neal Bassett, chairman of the two casualty companies, together with his brother, Wells T. Bassett, J. C. Heyer, vice-president Metropolitan Casualty and William J. Griffin, secretary Commercial Casualty, went to Chicago to complete arrangements for the Chicago & Milwaukee change. Mr. Heyer and Mr. Griffin continued to St. Louis to superintend the move there.

Changes in Chicago

The Commercial Casualty shares what was formerly exclusively the office of the Metropolitan Casualty in Room A1545 Insurance Exchange building, Chicago. William E. Tucker remains manager of the Commercial while H. J. Jeffry is still Metropolitan manager there.

E. J. Gauthier, superintendent bond department Metropolitan in Chicago, has been transferred to Milwaukee to assume joint control of the two companies there. In Milwaukee the Commercial has moved into the old offices of the Metropolitan in the Brumder building. Mr. Gauthier entered the service of the Metropolitan Casualty in 1924 as bond underwriter.

In St. Louis Howard D. Vore, who has been western home office special representative, has been assigned to take joint charge of the two branch offices. In that city the Metropolitan is moving into the old Commercial offices in the Planters building.

Scheemeacker to New York

M. J. Scheemeacker, who for a year and a half has been assistant in the bonding department of the Commercial Casualty at San Francisco, has resigned to go with the New York office of the Southern Surety as assistant manager of the surety bond department. He has already made the change and has taken up his new duties. Mr. Scheemeacker was connected with the Standard Accident before joining the Commercial Casualty.

McCallum in New Orleans

W. R. McCallum has been recently transferred to the Black Rogers Company of New Orleans as adjuster from the Atlanta office of the Maryland Casualty. Mr. McCallum began work with the Asheville office of the Maryland Casualty.

Balthis and Boyd Resign

BALTIMORE, July 23—L. Edward Hed, who has been in charge of the Santiago, Cal., office of the United States Fidelity & Guaranty, has resigned. T. H. Balthis, Los Angeles representative, succeeds Mr. Hed. Mr. Hed was formerly of Hed-Wilson, in South Dakota.

James R. Boyd, who had been in the field department attached to the home office, has resigned.

Lloyd A. Wood at Portland

Special Agent Lloyd A. Wood will have immediate charge of the branch office at Portland, Me., to be opened by the Fidelity & Casualty. Resident Manager J. Clark of Manchester, N. H., has general supervision over the business in New England.

WORKMEN'S COMPENSATION

Seek Non-Participating Rule

Carriers Ask Insurance Board's Approval of Compensation Method in Texas Hearing

AUSTIN, TEX., July 23.—Arguments in favor of granting permission for issuance of non-participating endorsements on workmen's compensation were presented to the Texas insurance board in public hearing at Austin. Petition for permission of companies ordinarily allowing participating endorsements is the outgrowth of the recent decision of the Texas supreme court in the U. S. Torpedo Company vs. Texas Employers case, in which it was held that all companies writing compensation must accept applications for all policies presented. Under the proposal, companies could issue compensation to all applicants, yet not allow them participation in dividends.

Questions regarding the basis of compensation pay rolls including the matters of tips, student employes without pay, and salesmen on commission providing their own equipment, were presented. It was argued that the employer of persons whose tips are a large percentage of their earnings should include a proportional part of the amount they receive in tips on the pay roll basis so it could be computed in the carriers' premiums. Carriers must pay a proportional part of earning capacity, regardless of amount of tips included in total income, it has been held.

Every casualty man should read: "Casualty and Surety Coverages—and How to Sell Them," by W. H. Bates. Price, $1.50. Order from The National Underwriter.

State Fund Idea Growing

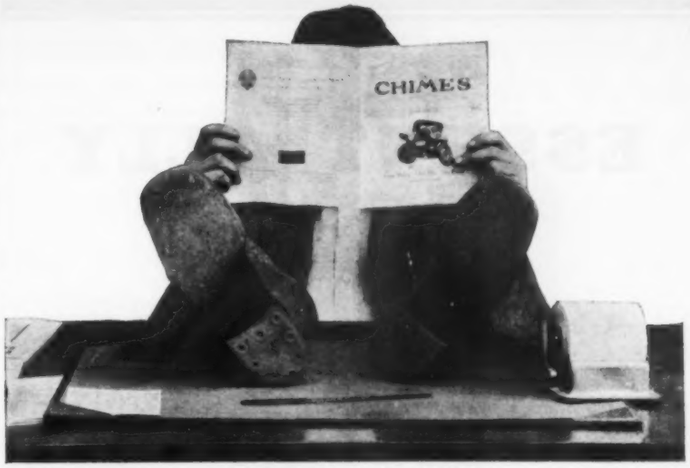
Fire Rate Increase Fight Is Acknowledged Boost of Labor's Referendum on Amendment

ST. LOUIS, MO., July 23.—Secretary of State Becker has certified that the statutory number of signatures has been obtained on initiative petitions filed by the Missouri State federation of labor for a state-wide vote in November on the question of amending the workmen's compensation act to provide for an exclusive state-fund. Under the amendment, large employers in good financial position could become self-insurers, but otherwise the insurance would be purchased from the state.

It is generally agreed that the chances of the state-fund amendment carrying have been greatly enhanced by the renewal of the controversy between stock fire companies and the Missouri department and Associated Industries over carriers filing a 16 2-3 percent rate increase on fire insurance.

Kentucky Report Issued

LOUISVILLE, KY., July 23.—In a bulletin of the Associated Industries of Kentucky, Secretary C. C. Ousley mailed two sheets of questions and opinion of counsel regarding workmen's compensation, liability of employers for accidents in which salesmen's cars are involved, especially those driving their own cars, and selling on a strictly commission basis. Automobile liability of employers for salesmen's cars is something that is rather vague in the minds of employers. The material was prepared by Harris W. Coleman, of Tra-



Have you had your CHIMES this month?

Here is one (there may be more) of the 14,000 local agents who gets the CHIMES each month, who reads it with gusto! The CHIMES is published in the interest of the insurance business in the United States in general by the Universal Automobile Insurance Company, the Trinity Fire Insurance Company and by the

A WORLD OF PROTECTION

UNIVERSAL CASUALTY COMPANY

Dallas, Texas

EDWARD T. HARRISON
PRESIDENT

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agency companies, recognizing the value of full cooperation by the Home Office with men in the field.

United States Fidelity and Guaranty Company

R. Howard Bland, *President*

Fidelity and Guaranty Fire Corporation

R. Howard Bland, *President*

Frank A. Gantert
Vice-President and General Manager

Home Offices
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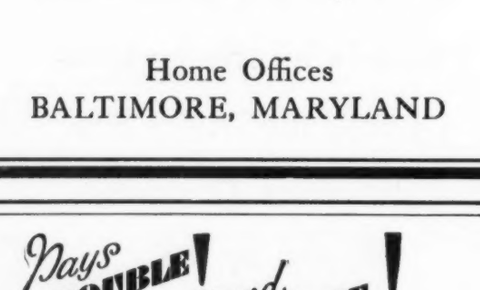

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In Accident Insurance!

Be a pioneer with this new Double-Triple Indemnity Accident Policy. Less sales-resistance due to its unusual benefits and features. "Pays Double and Triple." Increase your earnings by selling this remarkable policy. This is truly a great opportunity. Write TODAY for details.

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FIRE AND LIFE ASSURANCE CORPORATION, LTD.

Frederick Richardson, United States Manager
4th & Walnut Streets Philadelphia, Pa.

bue, Doolan, Helm & Helm, general counsel for the organization.

Injury Not Compensable

An injury received by an employe of a tailoring establishment when struck by a golf club swung by another employe has been held not to be compensable by the California supreme court. It was ruled that the swinging of the golf club was not a part of the other employe's work, that the injured employe was exposed to no greater danger of being struck by the golf club because of his employment than any other customer or acquaintance of the employer, and that the injury did not arise out of employment. The case was Pacific Employers vs. Division of Industrial Accidents and Joseph Fiore.

ACCIDENT AND HEALTH FIELD

National Association Grows

Several Reorganized Clubs Added to New Coalition of Accident and Health Managers

The National Association of Accident & Health Managers, recently organized in Chicago, is growing rapidly through the addition of several clubs which have been reorganized. The New York club has just been reorganized with new officers and has joined the National association, as has the Philadelphia Association of Accident & Health Underwriters, which has changed its name to the Philadelphia Accident & Health Managers Club.

The Boston club has also been reorganized and work of organizing similar clubs in Buffalo, New York, Baltimore, Washington and Chattanooga is well under way. The National association executive committee will meet some time within the next three weeks, probably in Chicago.

Kentucky Department After Crooked Industrial Agents

FRANKFORT, KY., July 24.—Commissioner Allin has addressed letters to all industrial companies doing business in Kentucky asking their cooperation in preventing agents from defrauding policyholders through "shaving" death claims, forging disability claims and leaving companies with a shortage in their accounts.

The commissioner asked the companies to notify the department of any agent who violates the insurance laws of Kentucky. Those against whom charges are sustained will not be licensed as agents of other companies, he said.

Purchases Travelers Equitable

The McMurray-Hill Investment Company of Des Moines, has purchased a substantial interest in the Travelers Equitable of Minneapolis. The Travelers writes accident and health insurance. No definite plans for the future have been announced. There is a rumor afloat to the effect that the Des Moines Life & Annuity has made the McMurray-Hill interests an offer which, if accepted, would mean a merger with that company and a removal to Des Moines.

Clubs Seeking Membership

Eastern Accident and Health Organizations Will Join in the National Association Movement

NEW YORK, July 23.—The Accident & Health Managers' clubs, both of this city and of Pittsburgh, have decided to seek membership in the National Association of Accident & Health Managers' Clubs. Confidence is expressed that as a result of plans now maturing, similar bodies will be formed in other important centers in the east. These, too, no doubt will in turn join the national body.

Armand Sommer, manager accident and health department of the Southern Surety and the Home Indemnity, is eastern regional vice-president of the National Association of Accident & Health Managers' Clubs, and keenly interested in the development of the organization. During the gathering at Chicago in June, at which time the launching of the national association was determined upon, Mr. Sommer was one of the strong advocates of the movement.

Held for Claim Fraud

Charged with forging the names of eight physicians to certificates of illness, on which he collected insurance benefits, William A. Johnson of McKeesport, Pa., a collector for the Washington Fidelity National, was held on several counts. C. G. Schillerstrom, company manager, testified that Johnson had derived about $1,000 since Feb. 2 from a series of alleged insurance swindles.

Clubs Join in Field Day

The Accident & Health Managers Club of Chicago will join with the Insurance Club in a golf tournament and field day at the Oak Hills country club in south Chicago July 24, at the invitation of the Insurance Club.

Honor Blunt in August

Agents of the Monarch Accident and Monarch Life of Springfield, Mass., will conduct a special "Blunt month" campaign in August in honor of Col. James W. Blunt, vice-president and agency manager.

Walthew Oregon Manager

The Pacific States Life has appointed Earle R. Walthew as manager in Oregon for its accident and health department.

FIDELITY AND SURETY NEWS

Scheme to Add to Income

Brokers Endeavor to Get 5 Percent as Service Charge for Designating Reinsuring Companies

NEW YORK, July 23.—Some enterprising brokers of this and other cities conceived the idea of adding to their incomes by indicating to surety companies with which they placed business, the amount to be ceded thereof to other designated offices, and then collecting 5 percent commission from the latter for the service. Granting commissions of this character clearly violates the rules of the Surety Association of America. At the recent quarterly gathering the executive committee was requested to look into the practice complained of with a view of determining its extent, and the identity of the companies and brokers parties thereto. This move is but another of the numerous attempts of outside parties to interfere with the conduct of company affairs.

Get Line on Big Robbery

ST. LOUIS, MO., July 23.—Chief of Police Gerk has retained as potential evidence $142.50 in currency and gold coins, part of the $2,500 found on Henry Bostelman, former convict, when he

was arrested while making a deposit in a bank here. Tellers of the Grand National Bank have identified pencil notations on some of the currency as having been made by themselves. Police suspect this money may have been part of the loot in robbery of the safe deposit vault of the Grand National Bank May 25. Bank officials have placed total loss at $925,000, of which $150,000 is covered by blanket bond in the Fidelity & Deposit.

Upholds Law of Oregon on Collection of Attorney Fees

In Dolan v. Continental Casualty Company, the Oregon supreme court has permitted recovery of attorneys' fees by a plaintiff when after a judgment for the plaintiff was reversed on a technicality, the insurance company tendered in court at retrial the full amount of the claim plus interest and cost. The decision was laid down under the Oregon statutes which provide that in an action on an insurance policy a successful plaintiff may recover reasonable attorneys' fees if settlement is not made within six months from the date proof of loss is filed, or if a tender equal to a plaintiff's recovery is not made.

In modifying the judgment of the lower court by adding the sum of $300 with interest from date of the original judgment, the supreme court said that the purpose of the statute is to discourage expensive and lengthy litigation. Without questioning the good faith of insurance companies, the chief justice stated that the contest of insurance losses on doubtful and technical defenses has often caused distress and unnecessary loss to beneficiaries.

Appeal of Bank Dismissed

OTTAWA, CAN., July 23.—The judicial committee of the privy council, London, England, dismissed with costs the appeal of the Bank of Montreal from a judgment of the supreme court of Canada in favor of the Dominion Gresham Guarantee & Casualty for $7,655 and costs, rendered May 27, 1929, in connection with frauds committed by K. V. Rogers, former chief accountant of Willis Faber & Co. of Canada, the insured. The insurance company's contention was that the frauds were an outcome of appellant's negligence. The carrier sued the bank to recover money paid by the bank to the Willis Faber Company under the policy. The judicial committee of the privy council affirmed decision of the Canadian supreme court.

Grain Elevator Bonds

In the western and northwestern states where grain is stored in elevators, public warehouses are required to furnish bonds covering grain stored under warehouse receipts. Many of these bonds expire in August. While there have been a good many disturbances financially among the warehouse companies there is plenty of business to be secured that is of a desirable nature. Alert agents undoubtedly have in mind the acceptable houses and are lined up for the bonds.

Another Shortage Found

An alleged shortage approximating $100,000 has been discovered in the accounts of W. W. Walker, treasurer of Giles county, Va., according to C. Lee Moore, state auditor of public accounts. Walker, treasurer for ten years, was bonded for $100,000 in the Fidelity & Deposit. A shortage of $95,000 was reported a few weeks previously in the accounts of another Virginia county treasurer who was also bonded sufficiently to cover the alleged shortage. The Maryland Casualty wrote this bond.

Read "What to Know About Automobile Insurance," by F. W. Doremus. Price, $1.50. Order from The National Underwriter.

NEWS OF THE COMPANIES

Standard Surety's Good Gain

New York Company Reports 152 Per Cent Increase for Half Year Over Same Period of 1929

NEW YORK, July 23.—Casualty writing companies generally managed to maintain premium incomes for the past six months, several even reporting substantial gains for the period, despite depressed conditions in the industrial and mercantile worlds. The Standard Surety & Casualty of this city reports an increase in net premiums of 152 percent over the corresponding period of 1929, the ratio of increase in its plate glass branch being 260 percent, with a 262 percent gain in the burglary division and a 57 percent advance in fidelity and surety. Figured on the basis of premiums earned, the incurred loss ratio of the company for the first half of the year was 47 percent.

The Standard Surety is now operating in 42 states and the District of Columbia. At the close of June the company was represented by 992 agents throughout the country, and that its representatives are alert to their business-getting opportunities, the rapid gain in the company's premium income sufficiently evidences.

Confer on Carriers' Finances

Texas Commissioner Issues Statement on Security Union Casualty and Lumbermen's Reciprocal

AUSTIN, TEX., July 23.—Negotiations between the Texas insurance board and the Security Union Casualty and Lumbermen's Reciprocal, both of Houston, settling differences concerning unstable financial condition of the carriers revealed in an auditor's report, is expected soon, W. A. Tarver, board chairman announces. The carriers write all forms except life, and are under the same management. Hobby & Christie, of which former Gov. W. P. Hobby is a member, is the managerial concern.

The poor financial condition of the two companies was revealed with filing of the 1930 annual report, the 1930 licenses had been issued on the 1929 report. No action has been taken toward revocation of licenses, and it is declared probable that their financial condition can be strengthened to such a point that they will be allowed to continue in Texas. Thus far they have paid all claims, Commissioner Tarver says. Maximum commissions paid on workmen's compensation, coupled with business depression and minor causes were given as reasons for the depleted finances.

Rothman Will Steer Grand Central Surety in Illinois

In a development program for Illinois, the Grand Central Surety of New York has arranged for a combination branch and general agency with headquarters in the Insurance Exchange building, Chicago.

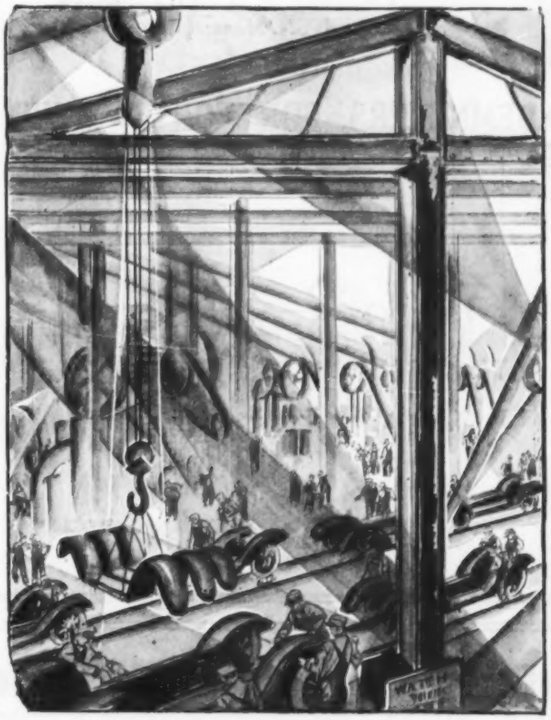
William Rothman, former comptroller of the company, who has had wide experience in the surety business, has been appointed manager of the Chicago office. He is busy now building an agency plant in Illinois and expects

Service that is MORE than a mere boast

THE insurance on a large plant expired in 5 days. The premium ran close to $6,000 annually and the local Continental agent wanted the business. Unable to close the sale himself, he called on the Home Office, 350 miles away for aid. An expert underwriter dispatched to his assistance arrived the next morning.

A quick survey of the situation revealed that officials of the plant were inclined toward self-insurance. Only satisfactory rates and a guarantee of first class service could change their opinion. Our underwriter wired for all renewal data on the case, also for an inspector. The latter arrived the next morning and worked all Saturday and Sunday to determine a proper rate. The renewal data arrived Monday morning and was found to be practically the same as the rate arrived at by our men. Our underwriter and agent then called on the prospect and were told that a decision would be made later. The Home Office men, their task done, then returned to Chicago.

Two days later the agent 'phoned the Home Office that because of our interest and efficient service, the business and handsome commission it carried had been awarded to him. The sale was closed.



CONTINENTAL service to fieldmen and assureds is, as this instance illustrates, something more than a mere boast. It is as tangible as our large staff of capable officials and 1,000 highly trained employees can make it. Also, it is available to all agents who can use such helpful cooperation in building their business.

Continental Casualty Company
Continental Assurance Company
CHICAGO - - - - ILLINOIS

MASSACHUSETTS ACCIDENT COMPANY
BOSTON, MASS.

Established 1883

Have You Seen Our New
Eureka Series?
Inquire!

YOU OR THE INSURING PUBLIC
CANNOT RESIST

CHESTER W. McNEILL, *President*
V. R. WESTON, *Manager Commercial Dept.*

INDEMNIFIERS FOR FORTY-SEVEN YEARS

New Amsterdam
Casualty Company

A Progressive
Surety and Casualty Company

REINSURANCE

Reinsurance Company Salamandra
of Copenhagen, Denmark

North Star Insurance Company
of New York

Hamburg-American Insurance Company
of New York

MEINEL & WEMPLE, INC., *Managers*
469 Fifth Avenue, New York, N. Y.

eventually to exercise jurisdiction in adjoining states.

The J. T. Flynn agency is the agency representative at Chicago.

E. H. Manning, who was formerly manager of the bonding department of Ocean Accident, has returned to New York after arranging for the Grand Central Surety's Illinois development. He has the title of special attorney.

Operates in Eight States

The Grand Central Surety has been licensed in New York, New Jersey, Massachusetts, Maryland, Pennsylvania, Ohio, Illinois and Missouri. It expects soon to receive its license from Kansas and it has filed application for admission to Iowa and Rhode Island. It contemplates entering other states this year.

The company has a capital of $250,000 and a surplus of $125,000, which it is the intention of the management, according to an announcement, to increase as soon as possible.

Consolidated Indemnity

NEW YORK, July 23.—For the six months ending June 30 the gross premiums of the Consolidated Indemnity of this city totaled $2,252,303, compared with $1,902,707 for the same period of 1929. After deducting incurred losses, expenses and taxes, but before adjustment of the reserves, the net underwriting gain was $396,547, while the net earnings from all sources aggregated $533,656. The capital and surplus July 1 was reported as $4,095,529.

Casualty Company Notes

The Atlas Casualty has been licensed in Nebraska with J. M. Bailey, Omaha, as state agent.

The Mountain States Life of Hollywood, Cal., has been licensed in Illinois to write accident and health insurance. Its capital is $250,000.

CASUALTY PERSONALS

Floyd N. Dull is busy these days getting acquainted with the affairs of the Continental Casualty in New York and preparing to develop the company's service and agency plant in the eastern field. Formerly resident vice-president and manager of the New York office, Commercial Casualty, Mr. Dull has now taken up his duties as vice-president of the Continental Casualty in the New York office.

Mr. Dull plans to open a branch office and appoint agencies in Greater New York. Early in August he plans to visit the home office in Chicago.

J. Arthur Nelson, president of the New Amsterdam Casualty, and **Edward F. Dobson,** vice-president, have left for a six weeks' trip in Europe.

Walter Faraday, manager surety department New Jersey Fidelity & Plate Glass in Chicago, has returned from a two weeks' visit with his daughter, Mrs. Lucy Faraday Biggs in Toronto. Mr. Faraday returns with favorable impressions of the Toronto "Bobbies," one of them having made a passage for him through a parade 15 miles in length.

Wisconsin's "Rent-a-Car" Act Held Constitutional

MILWAUKEE, July 23.—The law passed by the Wisconsin legislature requiring rent-a-car companies to file indemnity bonds with the clerks of cities where they are doing business was declared constitutional by Circuit Judge Sullivan in a suit brought by a 16-year-old girl against the National Rent-a-Car Company, the Rent-a-Ford Company and two individuals for $5,000 for injuries received in an accident Aug. 3, 1929. The defendants claimed the law was unconstitutional, arguing that it would give an unfair advantage to companies which would operate in Milwaukee but might have headquarters in a suburb and would not therefore be compelled to file a bond. Judge Sullivan held that the statute applies to villages and towns as well as cities.

Says Title Firm Can't Get License Under Casualty Act

Quo warranto proceedings instituted against the New York Title & Mortgage Co. of New York City, by Attorney General Oscar Carlstrom of Illinois were sustained Wednesday by Judge Briggle of the Sangamon county circuit court at Springfield. In the business of guaranteeing real estate titles and mortgages, the company had been licensed to operate in Illinois under the casualty insurance act.

After investigation the attorney general held that the casualty act does not authorize the New York corporation to operate in Illinois.

Younger Returns $54,400

Superintendent Younger of Ohio has sent a check for $54,400 to the Great American Mutual Indemnity of Mansfield, O. This is the balance of its guaranteed capital deposited with the insurance department. All loss claimants have been paid in full as well as all claims for unearned premium that were presented for payment, together with the preferred claims.

Figures Indicate Canadian Casualty Cover Prospers

OTTAWA, CAN., July 23.—Last year's returns on 16 types of casualty insurance in British Columbia show that many policies covering accidents, burglary, marine and plate glass risks, have been in force for years, while others are now highly specialized, and of comparatively recent origin. Marine insurance heads the list with premiums totalling $1,152,041, and paid losses $722,202. More than 40 companies are engaged in this class of insurance on the Pacific Coast, several of which handled an exceptionally large volume of business in 1929. Losses as a rule were light; only two companies reported losses higher than premiums collected. Accident and sickness insurance are next in importance, the former having reached $530,930 paid premiums, while sickness accounted for $226,693.

Travelers Men Promoted

Henry T. Nash, assistant manager of the railway and ticket division of the Travelers, and Harry E. Palmer, chief clerk of the ticket department, are made manager and assistant manager, respectively. Mr. Nash as manager succeeds George S. Penfield, whose death occurred recently. Mr. Nash has been connected with the Travelers nearly 25 years, having joined the company as a traveling representative of the railway and ticket division on Dec. 1, 1908. Mr. Palmer has been connected with the company more than 20 years. As chief clerk of the ticket department of the division, he has had supervision over the particular form of accident insurance which was first written by the Travelers more than 65 years ago.

Louisville Club Outing

The Casualty & Surety Association of Louisville has arranged for a day's outing and golf tournament at the Green Fields country club, Louisville, Aug. 12. This was the principal action which was taken at the monthly meeting. There will be a short business session at the outing.

Life Indemnity Assumed Under New A. & H. Form

SEVERAL UNUSUAL FEATURES

Continental Casualty of Chicago Puts Out Broad Policy Series With Unique Provisions

An unusually broad combination accident and health contract giving lifetime indemnity for accident and confining sickness and indemnity for specific losses other than death based on the time factor rather than half the death indemnity, is announced by the Continental Casualty of Chicago.

This company thus returns to the field of assuming liability for a lifetime, more or less contrary to the growing inclination of many companies in the last few years to get away from that feature, and in fact contrary to the Continental's own practice of recent years of not assuming lifetime indemnity on any contracts, including the noncancellable forms.

Features of New Contract

Briefly, in addition to lifetime indemnity for accident and confining sickness, this policy gives two months' full indemnity for nonconfining sickness, 100 percent additional for hospital confinement caused by accident or sickness, with additional indemnity for surgical operations and unusually liberal limb and eye loss benefits. This contract is issued to men and women and is said to be unique in the field today.

It is issued on several bases, one applying for the first day of accident but with a seven-day elimination period on sickness; another for the first day of accident and sickness, and another form with the first week eliminated on both.

Partial Loss for One Year

It pays for partial loss up to one year, where the usual practice is to limit to six months. Two unusual features are those of predicating indemnity for loss other than death on the time basis and also payment of the death indemnity following accident confinement payments, without time limit.

Under these two clauses if the assured should lose both hands, under the policy with $1,000 death indemnity he would receive payment totaling $5,000, whereas the usual practice is to set the maximum at half the principal sum.

Carries Unusual Provision

This policy also will pay the death indemnity in addition to monthly indemnity which may have been paid on a long confinement following accident; whereas almost universal practice is to pay either the weekly or monthly indemnity, or the death indemnity, but not both. There is no time limit on this feature and it is said if death occurs any number of years after the accident the principal sum will be paid in addition to any monthly indemnity paid.

The unit is $1,000 principal sum, on which $100 monthly indemnity for life will be paid while totally disabled by accident, and $50 monthly for six months for partial disablement by accident, these amounts doubling if disability arises from travel accident. Sickness indemnity is $100 monthly for life while totally disabled and confined to a hospital, and $100 monthly for two months while totally disabled but not confined.

Hospital Indemnity Benefit

Monthly hospital indemnity from the first day of hospital confinement during elimination period, if any, will be paid amounting to $100, and $200 for two months if assured is confined to hospital by accident or sickness. Specific amounts for operations are paid in addition to all other indemnity.

Death or dismemberment indemnities are: Life, $1,000, increasing annually to $1,500; both eyes, both hands or feet, $5,000; one hand and one foot $2,500; one arm or leg, $3,500; hand or foot, $2,500, and one eye, $1,500, if resulting from accidental injury. Monthly indemnity also will be paid between the date of accident and date of loss.

Rates are: For the contract paying from the first day of accident and with seven days elimination on sickness, $51; paying from the first day on accident or sickness, $57; the form with one week elimination on both accident and sickness, $46. Additional death indemnity up to $5,000 will be sold at $2 per $1,000. The company will pay up to $200 under the identification registration clause for accident or sickness arising away from home.

Comprehensive List of Casualty-Surety Books

MILDRED B. TRESSMAN, librarian of the National Bureau of Casualty & Surety Underwriters, 1 Park avenue, New York City, has gotten out a very comprehensive bibliography of publications on casualty insurance and suretyship. It is the most useful list that has been compiled. It covers the general subjects of rate-making, reserves, statistical and accounting methods, underwriting and investment data, year books and serial publications. It is devoted to all lines of the business.

Hold Joint Association Golf Tournament at Milwaukee

R. E. Dick of the Columbia Casualty in Chicago, chairman of the committee on arrangements for the annual golf conflict at Milwaukee between the Chicago and Milwaukee surety associations, arranged things so he won first prize for low net, the "President's Cup" donated by President G. H. Fox of the Chicago association. Mr. Hall laid down a fine lot of drives, iron shots and putts that could not be tied.

Mr. Fox took second low net, S. P. Armstrong, Globe Indemnity, third low net and E. R. Larson of the same company, fourth, all of the Chicago contingent. H. H. Thomas, Fidelity & Deposit; George Hummert, American Surety, and Messrs. Getz, United States Fidelity & Guaranty, and Hitchings won prizes of sweaters, golf bags, etc., among the Milwaukeans.

Low Gross Winners

Low gross among the Chicagoans was: 1st, A G. Stanten, Conkling, Price & Webb; 2nd, E. M. Ludlow, Sun Indemnity, and 3rd, W. H. Hansmann, Fidelity & Deposit, and among the Milwaukeans, 1st, Al Miller, Maryland Casualty; 2nd, Henry Meigs, Southern Surety, and 3rd, Ed Jinn, Independence Indemnity.

Guests winning prizes were Ellis Johnson and Messrs. Keogh and Miller of Chicago, and E. M. Perry and Mr. Nietschmann, of Milwaukee. Winners in special events were Walter Krafft, Continental Casualty; H. W. Pripps, Fidelity & Deposit; King Cooke, Bankers Indemnity, and C. W. French, Seaboard Surety.

New Haven Takes Liability Cover

NEW HAVEN, CONN., July 23.—The city of New Haven has taken on public liability insurance to cover claims for property damage and personal injuries. Harvey P. Treat, agent for the Commercial Casualty, was awarded the business. The premium is figured at $18,655, based upon $75 a mile for personal injury and $7.50 a mile for property liability. There are 214 miles of streets in New Haven.

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JAMES GIBBS, President

CASUALTY AND SURETY
REINSURANCE
EXCESS AND SHARE

Executive Offices:

84 William Street, New York City
Telephone: Beekman 0890

Wanted: Experienced casualty inspector for Oklahoma State. All replies treated confidential. Address **R-8,** The National Underwriter.

SURETY MAN WANTED

Wanted—manager of surety department in general agency. Knowledge of burglary and inland marine desired but not essential. State age, qualifications, whether employed and last salary received. Answers will be held in strict confidence. Address **R-1,** The National Underwriter.

BUS & TRUCK INSURANCE

Wanted: Exclusive agency for state of Tennessee; good stock casualty company writing Bus and Truck Insurance with prices to meet competitive business.

W. H. TOMPKINS & COMPANY
517 Stahlman Building,
Nashville Tennessee

WANTED

Chicago and vicinity or state general agency for non conference stock company writing all lines of automobile insurance. Control approximately two hundred thousand dollars premiums. Preferred business, excellent experience. Will consider general lines also. Address R-4, The National Underwriter.

WINZER & CO.
CERTIFIED PUBLIC ACCOUNTANTS
Specializing in
INSURANCE ACCOUNTING
29 S. La Salle Street
CHICAGO

Set Boundary for Oil Wells

(CONTINUED FROM PAGE 3)

equipment in the city will cause property physically to deteriorate and induce carelessness among owners.

"If drilling operations can be halted where they now are," one company manager reported to his superiors, "the small increased hazard can be nicely covered by a slight rate increase. If, however, drilling is permitted to extend north by increasing the U-7 zone, I am free to concede a fear for the safety of the town."

Another manager believes that the hazard would be materially eliminated if instead of the so-called Christmas tree system of capping a well a series of perforated traps which would eliminate spraying but clean out the well just as effectively, be installed. In addition he recommends that gas should be piped away from the wells to prevent an uncontrolled flow of natural gas into the atmosphere.

Bid for Bosses As Work Mounts

(CONTINUED FROM PAGE 31)

whatever was required to secure their services.

In perhaps no other line of business is it as necessary to hire as managers, men of tried worth; for in the merchandising line a mistaken policy is quickly detected and a change possible before great harm be done; but in the casualty and surety insurance, the result of poor underwriting may, and not infrequently has, soon proven fatal.

Proper managerial talent comes high but the engagement of cheap executives is the poorest kind of economy.

When the Great American Indemnity was formed by the Great American fire interests a few years ago, the management of the latter corporation appreciated that men of first rank only should be employed if the organization was to attain the success hoped for, and they realized further that talent of such character would have to be well compensated. Accordingly the market was scoured for an executive and divisional staff, and the fraternity was amazed at the reputed salary list of the Great American Indemnity, though conceding that it was the proper way to staff an organization, in a line so highly competitive as that of casualty insurance, and one so fraught with dangerous possibilities.

The wisdom of the course adopted by this company has already been demonstrated, while the careers of rival corporations that undertook to do business with a staff selected on a low cost basis has proven the fallacy of that practice.

In fair weather any novice can sail a boat, but when the wind blows and the seas roll the guidance of a trained seaman is imperative, and what is true upon the seas holds with respect to the management of an insurance organization.

Reduce Insurance Rates
Recommend
JUSTRITE OILY WASTE AND SAFETY CANS
Approved and Labeled by the Underwriters Laboratories and Associated Factories Mutual Insurance Co.'s
JUSTRITE MANUFACTURING CO.
2067 SOUTHPORT AVE. CHICAGO, ILL.

Statement Calms California Furore

(CONTINUED FROM PAGE 5)

leaders of the association and the campaign was stopped.

A recent deal between the California Fruit Exchange and the Northwestern Mutual Fire has just been put into effect in California. This deal provides for a special arrangement covering the fruit warehouses of the interests connected with the California Fruit Exchange. Special accounts will be maintained for a period of five years, when these accounts will be rechecked and further refunds made to policyholders, in addition to the regular annual dividends expected.

Headquarters of the insurance department of the exchange will be maintained at the exchange offices in Sacramento with Paul E. Overend, who has been with the Northwestern for the past six years, in charge. J. D. Phillippi will act as his assistant, maintaining offices in San Francisco.

In announcing the plan, the monthly bulletin of the exchange says: "While the special group classification and arrangement above referred to apply only to warehouse risks, the services of the insurance department will extend to the fire, automobile and miscellaneous insurance requirements of the individual growers."

Covers Other Associations

The announcement states that the Northwestern Mutual is already conducting insurance departments for a large number of trade associations, among which are the California Retail Grocers & Merchants Association, California Retail Lumbermen's Association, Northern California Laundry Operators' Association and the state merchants associations of Oregon, Montana, Colorado and Nebraska."

The California Association of Insurance Agents is taking cognizance of these plans and is now formulating a campaign to offset them.

O. L. Schilling Dies

W. O. Schilling, Chicago branch manager of the United States Fidelity & Guaranty, lost his father, O. L. Schilling, of Baltimore, by death last week. The funeral was held Monday in that city. The father of one of the best known and most popular casualty and surety men in the middle west was 72 and retired.

Mulock Back on the Job

Hub Mulock of the general agency of Wilcox, Hopkins, Howell & Mulock, Des Moines, Ia., has been visiting the St. Louis offices of the Southern Surety of New York. He recently completed a term as mayor of Des Moines and is resuming his activities in the insurance world.

Shape Up Program for Fall Meeting

(CONTINUED FROM PAGE 3)

C. Stone, United States manager Employers Liability; Lamar Hill, vice-president and counsel Continental Fire; Col. Joseph Button, for many years commissioner of insurance in Virginia; Commissioner Freedy of Wisconsin, and Henry F. Tyrrell of the Northwestern Mutual Life.

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STANDARD FORM
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209 South La Salle Street, CHICAGO

Globe & Rutgers

FIRE INSURANCE COMPANY

111 William St., New York City

JANUARY 1st, 1930

ASSETS		LIABILITIES	
Bonds and Mortgages	$ 139,609.90	Capital	$ 7,000,000.00
U. S. Liberty Bonds	509,100.00	Surplus	44,315,436.03
Government, City, Railroad and Other Bonds and Stocks	93,855,135.00	Reinsurance Reserve	26,803,146.42
Cash in Banks and Office	3,784,621.70	Losses in Course of Adjustment	12,122,958.00
Premiums in Course of Collection	7,216,343.66	Commissions and Other Items	10,750,000.00
Interest Accrued	446,013.79	Reserve for Taxes and Depreciation	5,000,000.00
Reinsurance Recoverable on Paid Losses	40,716.40		
	$105,991,540.45		$105,991,540.45

Surplus to Policy Holders . . . $51,315,436.03

Losses settled and paid since organization over....$259,000,000.00
Losses settled and paid 1929..... 17,513,631.10

ISSUES POLICIES AGAINST

Fire, Marine, Tornado, Earthquake, Flood, Hail, Explosion, Riot and Civil Commotion, Sprinkler Leakage, Inland Marine Transportation, Parcel Post, Automobile, Aviation Insurance

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Lyman Candee, Vice-President
W. H. Paulison, Vice-President
J. H. Mulvehill, Vice-Pres. and Secy.
J. D. Lester, Vice-President

A. H. Witthohn, Secretary
A. G. Cassin, Secretary
J. L. Hahn, Assistant Secretary
Scott Coleman, Assistant Secretary

A. W. Taylor, Local Secretary

Progress since Consolidation in 1899

	Assets	Reinsurance Reserve	Surplus
Dec. 31, 1899	$ 529,282.59	$ 26,832.54	$ 3,039.94
Dec. 31, 1905	3,932,447.83	1,753,038.09	1,256,146.92
Dec. 31, 1910	5,255,362.12	1,936,224.86	2,365,363.37
Dec. 31, 1915	10,178,345.13	3,532,023.67	4,769,684.89
Dec. 31, 1920	42,765,374.55	16,593,764.16	11,361,311.89
Dec. 31, 1925	67,922,096.58	20,265,572.73	24,161,943.85
Dec. 31, 1926	71,740,996.88	21,162,599.90	25,610,575.98
Dec. 31, 1927	80,193,738.67	21,794,727.64	29,514,599.03
Dec. 31, 1928	98,190,644.96	24,332,695.62	37,252,917.34
Dec. 31, 1929	105,991,540.45	26,803,146.42	44,315,436.03

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